



2015 Travel and Expense Management Navigator

A Straightforward, Unbiased Review
of Leading Solutions

December 18th 2015 | Featuring Insights On...

- » TEM Solutions: A Brief History and Market Outlook
- » A Comprehensive Guide to the 11 Most Innovative TEM Solutions
- » The Navigator Plane: A Direct Comparison of Providers
- » A Roadmap to Selecting a Provider

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Contents

A Tool Born of Necessity	3
A Truly Unbiased Analysis	3
The Evolution of a Mobile Workforce.....	4
The Navigator Defined	6
Appticity	13
Certify	15
Chrome River.....	17
Concur.....	19
Coupa.....	21
DATABASICS	23
ExpenseWatch.....	25
Expensify	27
Infor.....	29
InterpIX.....	31
SutiSoft.....	33
Comparing Providers	35
TEM Plane for Enterprise Organizations.....	36
TEM Plane for Midsize Enterprises.....	38
Fast Risers.....	39
Who's Missing?.....	40
About the Navigator	41
About PayStream Advisors	42



A Tool Born of Necessity

Since 2001, Level Research has assisted organizations' accounting, finance, and procurement departments to streamline processes, increase efficiency, and generate growth. The purpose of the majority of these projects is to help organizations prepare for software automation, select the most appropriate providers, review offerings, and help with final selection. The Navigator began as a straightforward spreadsheet model used to score solutions on pricing structures, functional offerings, and how they addressed any unique needs specific to an organization. Over the course of numerous engagements, it became clear that there was a sincere market need for a quantifying tool, and the Navigator became much more.

A Truly Unbiased Analysis

Historically, organizations have had few options when seeking truly objective, quantifiable, and functional analyses of contract lifecycle management (CLM) software. Other models often included a subjective metric that measured something that is, by nature, immeasurable, such as a software provider's strategy or future direction. A driving force for the creation of the Navigator model was the market need for quantifiable metrics in software analysis.

Level Research also believes that one or two numbers cannot adequately measure the complexities and capabilities of CLM software, especially if one measure is qualitative. The individual contract management needs of an organization depend on a wide variety of factors. Level Research's Navigator evaluates solutions in seven categories to help decision-makers better identify which providers' strengths best meet their organization's needs.

In short, the Navigator model and this report were created to fill a market need for a straightforward, unbiased review of CLM software.



The Evolution of a Mobile Workforce

Travel and Expense Management (TEM) Solutions

TEM procedures before the 1990s relied upon manual, paper-based processes. Often, business travelers had to keep track of paper receipts during a trip; once the trip was over, they would spend a significant amount of time physically attaching these receipts to an expense report and delivering the report to a travel manager for approval. From there, the report would either be denied and returned or approved before going to records and payables for storage and reimbursement, respectively. The payroll department would then issue a reimbursement check with the next payroll run. This entire process often took as long as 4 or 5 weeks, and was prone to lost receipts and reports due to its manual, paper-based nature.

Throughout the 80s, 90s, and early 2000s, rapid development in globalization, transportation, the internet, and mobile technology further complicated expense reporting, and organizations struggled to maintain adequate systems of record for travel and expense management. For example, as businesses increased their global footprints, TEM processes needed to accommodate foreign tax requirements, currency and language support, and increased Duty of Care needs. Internet developments brought online booking, decreasing organizations' reliance on Business Process Outsourcing (BPO) providers such as corporate travel agencies and increasing the use of online booking tools. While this shift saved money and time when booking, it also increased the need of the IT department with TEM procedures. Advanced technologies in mobile phones meant that travelers could now capture images of receipts rather than carrying around stacks of paper. Organizations with a substantial mobile workforce needed to meet these new challenges and opportunities, so providers such as Concur and IBM stepped in to create early TEM solutions.

The Rise and Fall of IBM, GERS, Concur and the Move to the Cloud

Perhaps one of the first providers to do so, IBM started offering the first modern TEM solution in the early 1990s. Initially offered as an outside service as part of larger BPO agreements, IBM eventually would take their internal technology (used for the BPO offering) and leverage it to provide custom builds of the solutions on client's self-hosted environments. Eventually one of IBM's clients asked if IBM could host the solution, which led to the first global SaaS TEM solutions, IBM GERS On-Demand in 2000.



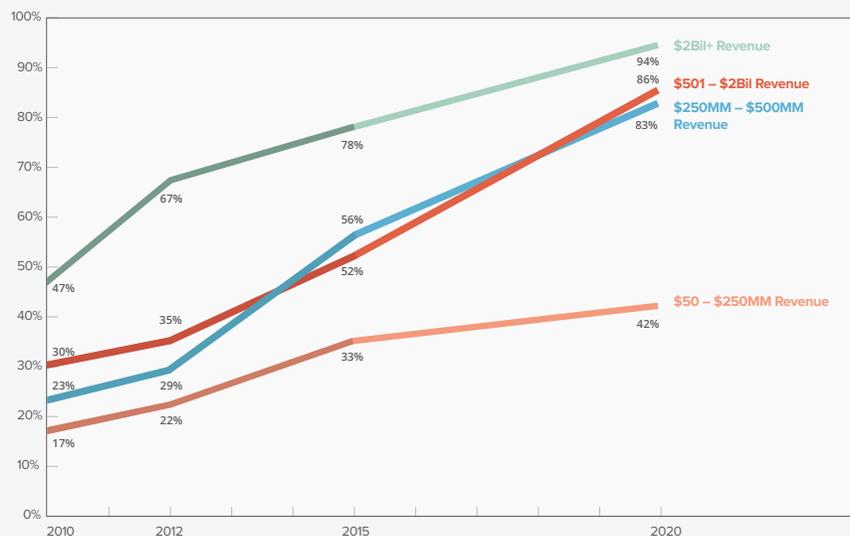
During this time, Concur began also building its first SaaS solution that came to market in 2003. By 2008, there were several cloud-based TEM providers on the market that could handle the needs of large organizations. Being built on Java (at that time legacy coding language) GERS had trouble competing with faster, more modern solutions. Ultimately it was decided by IBM to discontinue the GERS solution in 2014 and only retain their BPO offering. IBM announced a partnership with Concur to transition existing GERS clients to Concur, though many GERS clients went to other providers as well.

The Travel and Expense Management Market Today

The TEM market has undergone significant growth in the past 10 years, especially since 2010. PayStream estimates that the total served market for TEM solutions is approximately \$1.1 billion, not including legacy IBM GERS, BPO, or on-premise systems (SaaS and Cloud solutions only). Adoption rates range from 78% in enterprise organizations to 35% in lower middle market organizations. PayStream projects that by 2020, the TEM market will surpass \$2.1 billion and enterprise organizations will achieve near full adoption, see Figure 1. The majority of this growth will come from the SME market, having a 14% CAGR and going from \$167 million total revenues in 2015 to \$342 million total revenues in 2020.

FIGURE 1

Adoption Rates 2010-2015; 2020 Projected



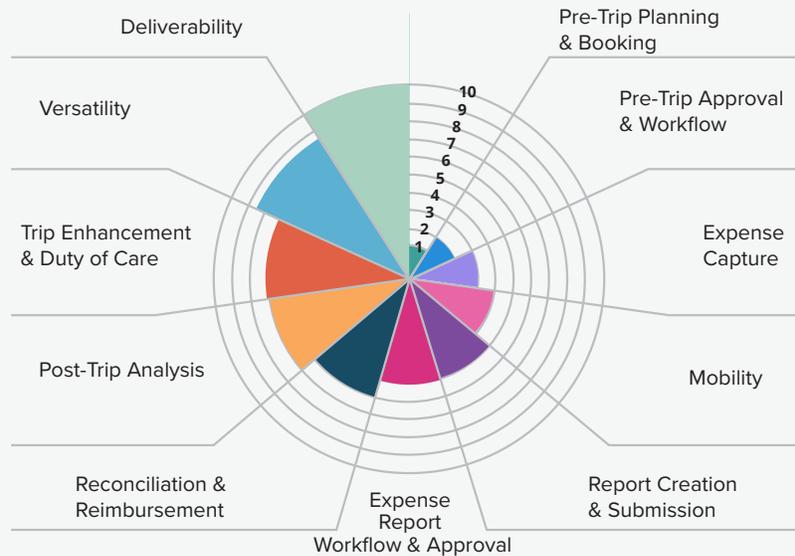
TEM Adoption 2010-2015; 2020 Projected



The Navigator Defined

The Level Research Travel and Expense Navigator scores solutions in eleven different categories on a scale of one to ten. Nine of the categories are a measure of functionality, while two categories—Versatility and Deliverability—focus on solution breadth and customer experience. The visual representation of the Navigator is similar to a radar chart; the higher the score in a category, the closer to the outer ring the corresponding wedge will be, see Figure 2. All eleven categories are explained in detail in the next section.

FIGURE 2



The Navigator Model

The Purpose of the Travel & Expense Management Navigator report is to:

- » Provide a comprehensive analysis of the top TEM solutions available
- » Provide a market overview of trends among solution providers
- » Assist in the initial selection of solutions by potential buyers

The Eleven Categories

The TEM Navigator is made up of eleven categories that are further divided into over 100 individual criteria. Below are definitions of the categories, as well as



the criteria necessary to receive high scores in each category (i.e., Identifying Success).

Pre-Trip Planning & Booking

Definition

Pre-trip planning and booking is the process of submitting requests for and booking business travel. Basic functionality here involves the ability for a user to submit trip plans with templates pre-populated by TMC (Travel Management Company) tools such as Orbitz, Egencia, or Amadeus. Basic tools also save employees' preferences and integrate with organizations' travel policies to prevent employees from booking out-of-policy expenses. Basic solutions also hold reservations for 24 hours or longer to allow time for administrators to approve travel plans.

Identifying Success

Leaders in this category offer native booking tools to facilitate seamless integration between booking and expense capture. This allows users to book, capture expenses, and submit expense reports from within a single solution, which saves busy travelers a significant amount of time. Leaders in this category also feature rate comparison tools. These tools allow both travelers and administrators to compare travel costs between providers, examine historical costs, or even view what other organizations using the solution are paying. This way, administrators can ensure when users are being frugal and can identify when spend policy violations are caused by a spike in prices.

Pre-Trip Approval & Workflow

Definition

Pre-trip approval and workflow is the process of administrator approval for travel requests. For organizations that prefer to have all business travel pre-approved, this can be a significant functional area. Basic solutions offer administrators the ability to set an approval workflow based on type of expense, dollar threshold, or user role.

Identifying Success

Leaders in this category offer native booking tools to facilitate seamless integration between booking and expense capture. This allows users to book, capture expenses, and submit expense reports from within a single solution,



which saves busy travelers a significant amount of time. Leaders in this category also feature rate comparison tools. These tools allow both travelers and administrators to compare travel costs between providers, examine historical costs, or even view what other organizations using the solution are paying for the same itinerary. This way, administrators can ensure when users are being frugal and can identify when spend policy violations are caused by a spike in prices.

Expense Capture

Definition

The expense capture category is a measure of a solution's ability to capture expenses through a variety of methods. Basic solutions offer the ability to take pictures of receipts via a mobile phone, fax machine, or scanner and automatically populate an expense report with receipts. Most solutions also offer mileage conversion tools for vehicle travel. These solutions prompt the user for a starting and ending address, then automatically calculate mileage and file it as an expense item.

Identifying Success

Some leading providers offer advanced OCR technology that reads the data on a receipt in order to automatically populate an expense line item. Other providers offer "text-to-expense" functionality, meaning that a user can open the mobile app and dictate an expense, which is then populated into an expense report.

Mobility

Definition

Perhaps more than any other business application, it is vital for TEM solutions to have a comprehensive mobile solution that allows users to manage reporting and approval from mobile devices such as smart phones and tablets. Every solution scored in this report offers some form of mobile access, either through responsive web design or native mobile applications. Basic solutions offer the ability to capture expenses and submit expense reports from within a mobile solution.

Identifying Success

One way that leaders differentiate themselves in this category is by offering their solution in both native app and responsive design formats. Offering both is important because some organizations prefer the security of responsive design, while some organizations prefer the speed and performance provided by mobile



apps. Some providers also offer an offline mode so that users can continue to use the mobile application until they reach cell or wi-fi service (e.g., on an airplane). One provider even offers a mobile virtual assistant. This solution uses GPS coordinates to generate push notifications to the travelers to remind them to file expenses. For example, if a user walks in and out of a recognized coffee shop on a business trip, the application will prompt the user to file an expense for coffee.

Report Creation & Submission

Definition

Report creation and submission and the following category are at the core of expense management. At minimum, any expense management solution needs to have a robust tool for report creation and submission. All solutions offer a basic expense reporting element that allows users to log transactions, attach receipts, and submit a report. Most solutions offer some form of automated receipt attachment solution, such as automatic population of transactions based on a corporate card feed. Basic solutions also offer the ability to split line items across different cost centers, projects, or employees.

Identifying Success

Because so many providers offer very similar functionality in this category, it was highly competitive, and achieving a high score was more challenging than in other categories. Leading functionality included linking GPS coordinates to an expense item and the ability to predetermine reimbursable versus non-reimbursable expenditures. Leaders also differentiated themselves by offering real-time policy compliance notifications from within the report creation window. Additionally, leading solutions allow the users to bring in expense items from their personal credit cards and have a cash expense function so that no matter how items are paid for, they are automatically added to a report for easy review and submission later.

Expense Report Workflow & Approval

Definition

The workflow and approval capabilities of a solution are equally as important as report creation and submission. Basic review solutions feature a customizable workflow of expense reports to ensure that reports are automatically sent to the correct approver, expediting approval and reimbursement. Reports can be



routed based on department, expense category, cost center, or any number of other criteria. Basic solutions also feature reminders and escalation procedures for stagnant reports, out-of-office proxies, and one-touch approvals from within emails.

Identifying Success

Leaders in this category offer approvers the ability to split line items when users have not allocated expenses properly, or to partially reject reports so that approved expenses are reimbursed while rejected expenses are sent back to users for correction. Another key feature among leaders is the ability to balance approver workloads. If one particular approver is being overwhelmed by report submission, administrators can set a threshold beyond which overflow reports are sent to an alternate approver. This feature builds on the out-of-office functionality offered in basic solutions. Finally, leaders provide approvers with individual user data to help approvers identify potential fraudulent activity. An example of this is by identifying users that continually submit expenses just under what an expense policy allows (e.g., the expense policy sets a \$50 limit on dinner, so the user always submits for \$49).

Reconciliation & Reimbursement

Definition

Basic solutions allow for the reconciliation and integration with ERP and AP systems for audit, payroll reimbursement, and expense reporting modules. They also allow for receipt backup through integration with imaging or Enterprise Content Management solutions for receipt storage and archival.

Identifying Success

Advanced solutions differentiate themselves in this category by offering specialized reimbursement offerings, such as the ability for reimbursement payments to be made directly to personal cards. Leaders also facilitate partial reimbursement after deduction of disallowed fees and payment reconciliation.

Post-Trip Analysis

Definition

Basic solutions offer pre-built reports on expenses and spend management. They also typically enable exporting these reports to a .csv or .pdf file, but their on-screen visuals are sometimes limited. Expense auditing and basic financial



oversight reporting are common among most basic solutions.

Identifying Success

Leading solutions are readily identified in this category by offering advanced drag-and-drop real-time analytics on spend, user behavior, booking behavior, policy compliance, and/or vendor performance. Report exporting is available, but rarely necessary, as on-screen visuals and direct-to-print functionalities are extensive.

Trip-Enhancement and Duty of Care

Definition & Identifying Success

The trip-enhancement and duty of care category is a highly differentiating category. A major difference between this category and others is that basic solutions typically offer little in this area; only leading providers who focus on enterprise solutions have extensive functionality here. Features scored include travel alerts and duty of care, native live support, platform and app partnerships, and value-added tax refund integration.

Identifying Success

Advanced solutions differentiate themselves in this category by offering specialized reimbursement offerings, such as the ability for reimbursement payments to be made directly to personal cards. Leaders also facilitate partial reimbursement after deduction of disallowed fees and payment reconciliation.

Versatility

Definition

Versatility is a measure of breadth—how readily compatible a solution is with any business type, industry vertical, geographic location, and size of company. Factors measured include Accounting System/ERP traction, language and currency support, industry experience, and tax compliance.

Identifying Success

Versatility success is a simple measure of breadth within the area to which a solution is marketed. The most experienced solutions (in terms of length of time on the market and size of customer base) must have increased capabilities to score well. Successful track records of specific ERP integrations, tax compliance in Europe, LatAm, and AsiaPac, and a variety of supported languages are all



considered.

Deliverability

Definition

Deliverability focuses entirely on customer experience, including implementation, initial and ongoing training, customer support, user interface, pricing, and ongoing cost of ownership.

Identifying Success

The greatest identifier in this category is the modernity of the user interface. More modern, easy-to-use web interfaces with well design layouts score higher than their legacy counterparts. Leading solutions also feature shorter implementation times and provide one-on-one full-time implementation managers.

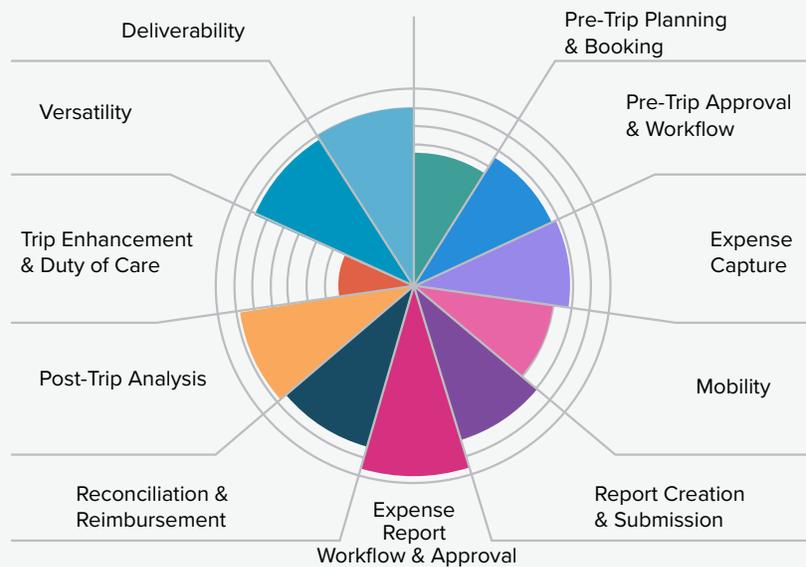


Apptricity

Overview:

Founded in 1999 and headquartered in Irving, Texas, Apptricity offers a full suite of cloud-based applications that support web-based and native mobile access for financial and supply chain processes, including Travel and Expense Management. Launched in 2000, the Apptricity TEM solution’s enterprise clients include AT&T, Cameron International, Honeywell, and Huntington Ingalls Industries.

APPTRICITY



Founded: 1999

Number of Employees: Undisclosed

Most Successful Vertical(s): Financial Services, Government, Retail, High-Tech

As a privately-held organization, Apptricity’s leadership team has more than 15 years of specific industry experience. Profitable since 2004, Apptricity has not sought growth capital for over a decade due to its consistent organic growth. Although Apptricity has an international presence, all development activities are conducted within the continental United States.

Strengths & Differentiators:

Apptricity’s strengths lie in the functionality it provides for administrators and



approvers once an expense report is submitted. Administrators can also easily make detailed customizations to the solution. The solution features automated reminders for invoices that have remained unapproved for a specified amount of time, as well as escalation procedures for the invoices whose reminders are ineffective. Appticity also clearly indicates out-of-policy violations from the moment approvers open a submitted invoice, allowing for the quick rejection of a single line item on an invoice or an invoice entirely. Appticity provides three distinct reporting and analysis offerings: standard out-of-the-box reports, ad hoc .csv exports, and reporting as a service via JasperReports technology. The mobile solution works in both connected and disconnected modes—the latter providing full functionality when there is no internet connection, as on a plane or in a remote environment.

Advisements:

Appticity's solution is a solid offering, making it difficult to find an obvious weakness. However, it is apparent that the product development strategy of the booking component of Appticity has been to partner with Travel Management Company (TMC) providers. Appticity offers neither a native booking tool, nor the features that often accompany one, such as internal benchmarking tools that allow users to compare their travel expenses with other users of the solution.

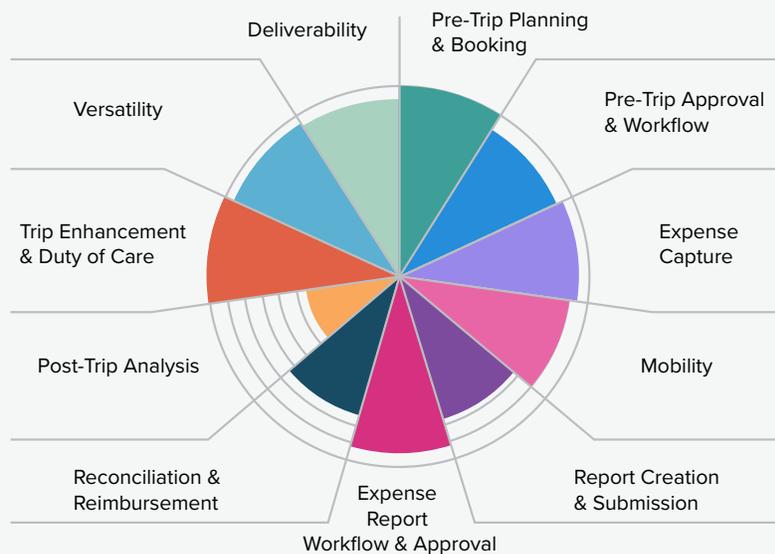


Certify

Overview:

Founded in 2008 in Portland, Maine by brothers Bob and Alan Neveu, Certify focuses only on TEM software, devoting all of its attention to providing clients with a powerful and highly functional solution. Certify meets the needs of companies of all sizes by offering tailored solutions for small, medium, and enterprise organizations. Today, Certify is a leading provider of travel and expense management software with offices in Portland, ME, and San Diego, CA.

CERTIFY



Founded: 2008

Number of Employees: 90+

Most Successful Vertical(s): N/A

Strengths & Differentiators:

Certify has stood out in this year’s TEM Navigator, having scored very highly in several categories. One of Certify’s strengths lies in its pre-trip planning and booking capabilities. Certify is one of only a few providers featured in this report that offers a native booking tool, eliminating the need for multiple screens between price-checking, pre-trip approval, and booking. Certify also scored highly in the trip enhancement category, offering users the ability to rate vendors so that future users can make well-educated bookings. In addition, Certify’s



unique ReportExecutive™ offering manages company-wide expense reporting with scheduled reminders and automatically generated expense reports.

Advisements:

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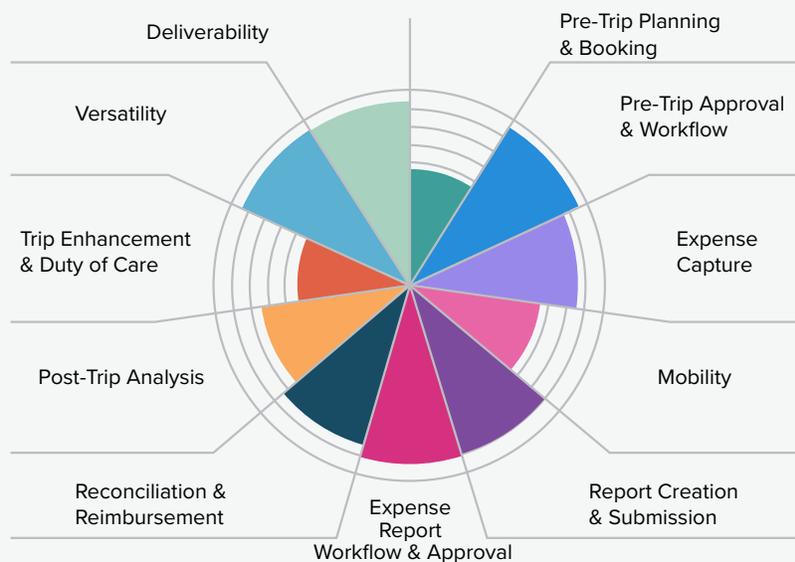


Chrome River

Overview:

Chrome River Technologies is a Los Angeles-based company founded in 2007 by Alan Rich and Dave Terry, formerly of Thomson Elite. Offering expense reporting and supplier invoicing automation software, until 2012, the company was primarily self-funded, but recent private funding has propelled it forward as one of the fastest-growing companies in the United States. Chrome River was also one of the few providers that were able to meet the needs of enterprise organizations forced to migrate after the discontinuation of the IBM GERS solution in 2014.

CHROME RIVER



Founded: 2007

Number of Employees: 225+

Most Successful Vertical(s): Legal, Professional Services, Financial Services, Technology

Strengths & Differentiators:

Chrome River's strengths lie in the core functionality of expense management: report creation, submission, and expense report approval and workflow. The solution offers receipt sorting and attachment to reports as well as corporate card connectivity, allowing for a quick and streamlined report submission process. It also features a full set of tools for expense report approvers, including



a robust approval dashboard and a fully configurable approval workflow, including functions for proxy administration.

Advisements:

Though Chrome River offers a design-responsive website for mobile users, it no longer updates its original mobile app. Chrome River maintains that RWD applications are better than and can take the place of native applications, but PayStream feels that it is a best practice for solution providers to offer both options. To better compete in the enterprise market, Chrome River should continue to improve its mobility by reconsidering and revising its native application.

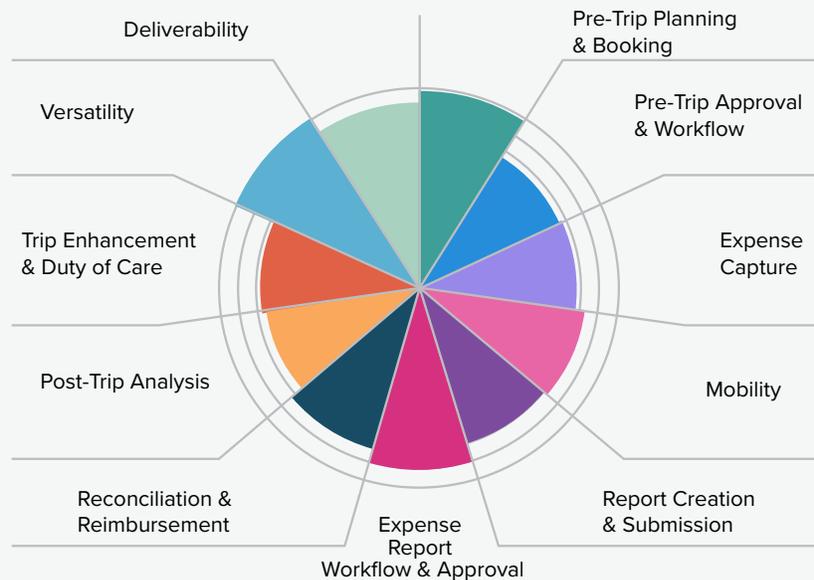


Concur

Overview:

One of the oldest and largest providers, Concur has proved to be a mainstay in TEM technology. Being the first to offer a number of functionalities, such as booking and expense integration and OCR receipt capture, Concur continues to push the bar in terms of what it means to be a competitive TEM solution. Another example of this innovation is Concur’s one-of-a-kind “app store.” Concur has partnered with—and in many cases financially backed—numerous bolt-on applications that enhance the solution. Concur was recently acquired by ERP giant SAP, but will continue to operate as Concur for the foreseeable future. This acquisition likely means that the resources at Concur’s disposal will increase significantly, but the full effect is yet to be seen.

CONCUR



Founded: 1993

Number of Employees: 2,500+

Most Successful Vertical(s): Legal, Higher Education, Manufacturing, Pharmaceutical

Strengths & Differentiators:

One of Concur’s major strengths is the seamless integration of its travel and expense solutions. Concur offers a robust in-house travel booking tool, which means that users can access everything from pre-trip approval to booking to expense reporting within a single application. Concur’s solution is the first



to seamlessly integrate with rail providers, über, AirBnB, and many eReceipt providers such as Starbucks and various hotel chains, to allow for numerous ways to import expense data. Another strength lies in Concur's broad applicability; as the one of the largest and most experienced TEM providers, Concur is adaptable to organizations of any size and any industry.

Advisements:

One of Concur's differentiators is its strategy of forming partnerships to provide a large array of functionality and add-on features. It integrates with these partners via an "app store" similar to Apple's App Store or the Google Play store. Although this is a very effective method of quickly expanding the functionality of the solution, it could pose a potential problem for organizations that need to use multiple apps to have an effective solution, in terms of both customer service and additional fees.

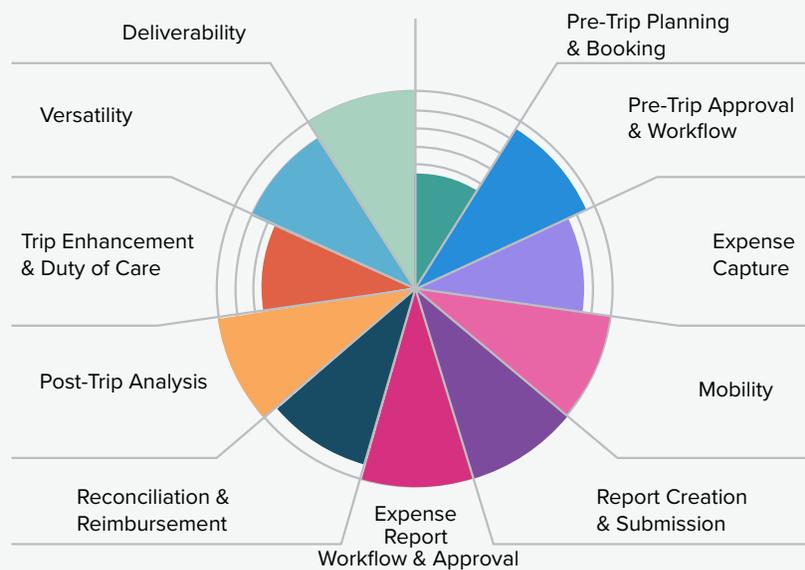


Coupa

Overview:

Founded in 2006, Coupa’s innovative eProcurement platform offered groundbreaking functionality and quickly surpassed existing platforms like Ariba, SAP, and Oracle. Since then, Coupa has diversified to offer a full expense management and invoice automation platform. Coupa has also maintained the same ingenuity and desire for innovation seen in its early efforts in eProcurement, offering some very unique features within TEM.

COUPA



Founded: 2006

Number of Employees: 500+

Most Successful Vertical(s): Financial Services, Healthcare, Retail, High Tech

Strengths & Differentiators:

Coupa stands out among other solutions in its innovative mobility. Coupa’s mobile app features location-based notifications, automatically initiating expenses based on where a user’s phone reports its location. For example, when a user travels from home to the airport, the app will ask if they want to log that expense and attach a taxi or Uber receipt. Coupa also uses behavioral influence indicators (e.g., “Frugal Meter” or “Over Limit” gauges) throughout the solution to correct inefficient employee activity and improve future behavior. Coupa also



scored highly in the deliverability category because of its excellent user interface, straightforward pricing structure, and excellent support and training offerings.

Advisements:

Coupa has elected not to employ OCR technology because they feel the technology, even at its best, isn't accurate. So, rather than use OCR to read data on a receipt, Coupa offers intelligent voice capture to allow users to dictate expenses to their mobile device and expenses captured via a corporate or personal card are automatically matched to expense line items.

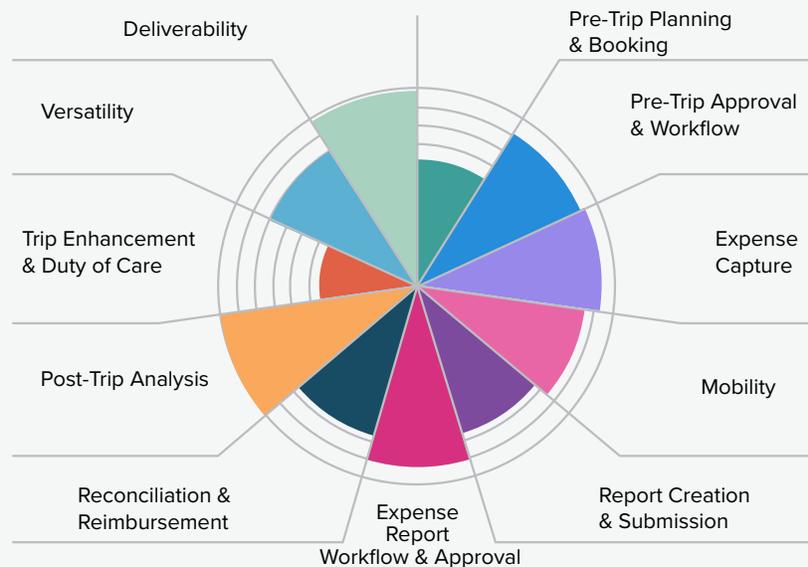


DATABASICS

Overview:

Headquartered in Reston, Virginia and Montreal, Canada, DATABASICS is a leading global Travel and Expense Management solution. DATABASICS offers a full suite of TEM functionalities including OCR receipt capture, mileage reimbursement, and ACH reimbursement for employees. Prior to introducing its first web-based products in 1997, DATABASICS was a professional services organization specializing in software development and systems integration. In 1999, DATABASICS “white-labeled” its expense reporting and time tracking solutions for Lawson Software (now an Infor ERP company). Through its partnership with Lawson, DATABASICS was among the first to demonstrate a scalable web-based business solution that could support organizations with over 25,000 active users. DATABASICS continues to focus on meeting the needs of medium and enterprise organizations. In addition to expense reporting, DATABASICS offers p-card process management, time and leave tracking, and vendor invoice processing. DATABASICS has been awarded a Deloitte “Fast 50” award in the state of Virginia, and just this year, a group of DATABASICS “early adopters” reached the milestone of 15 years using DATABASICS products.

DATABASICS



Founded: 1993

Number of Employees: Undisclosed

Most Successful Vertical(s): Pharmaceutical, Healthcare, Professional Services, Retail



Strengths & Differentiators:

The DATABASICS solution is a strong tool, especially for organizations operating globally or those in industries with complex requirements like healthcare or government contracting, as it is highly adaptable to unique business structures and requirements. DATABASICS' offers a leading receipt capture technology: it offers many ways to import receipts into the system, and it automatically matches receipts to expense reports based on OCR-captured data in a number of different languages. DATABASICS also offers a set of robust reporting features, with native built-in reports, as well as a custom report builder through Jaspersoft.

Advisements:

DATABASICS adeptly integrates with third-party booking tools and TMCs. However, considering the breadth and maturity of the DATABASICS solution, it would be a strategic next step for this provider to develop a native booking tool. This would allow users to book, capture expenses, and file expense reports within a single application.

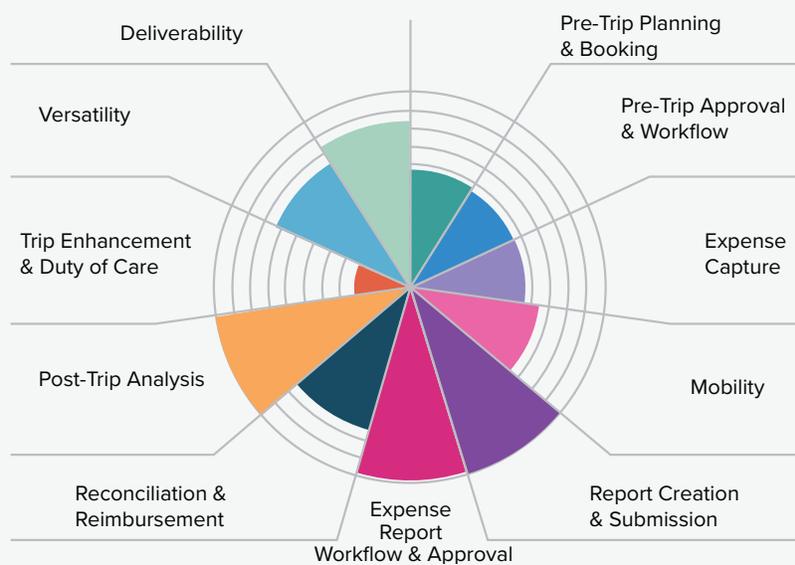


ExpenseWatch

Overview:

Founded in 2000 and headquartered just outside Philadelphia, ExpenseWatch has provided expense management solutions for small and medium businesses since 2003. ExpenseWatch’s niche focus on this market allows them to offer leading functionality and a high level of service to its customers.

EXPENSEWATCH



Founded: 2000

Number of Employees: Undisclosed

Most Successful Vertical(s): No target verticals, designed for SMEs

Strengths & Differentiators:

ExpenseWatch is a leading provider in the report creation and submission category, facilitating the import of travel card data to expense reports and prompting automated notifications if booked amounts do not match actual amounts. The solution also features proxy report creation as well as the ability for single expense items to be split among multiple cost centers. ExpenseWatch also led the report workflow and approval category with its extensive workflow configurability and mobile approval options. The administrative dashboard features drag-and-drop functionality that allows approval and reporting from the same screen, saving higher-level administrators valuable time. ExpenseWatch



has also invested considerable time and energy in its reporting and analytics component, offering out-of-the-box reports, dashboards, and a custom report builder, as well as analytics dashboards that are integrated with the report creation and approval features.

Advisements:

Overall, the ExpenseWatch solution is a great tool for lower- to middle-market organizations looking to automate the process of reporting, approving, and analyzing expenses, with the added benefit of light integration with select travel booking partners. However, for the solution to grow into a full TEM solution, effectively targeting mid-market and enterprise organizations, integration with booking tools and pre-trip approval functionality should be more comprehensive.



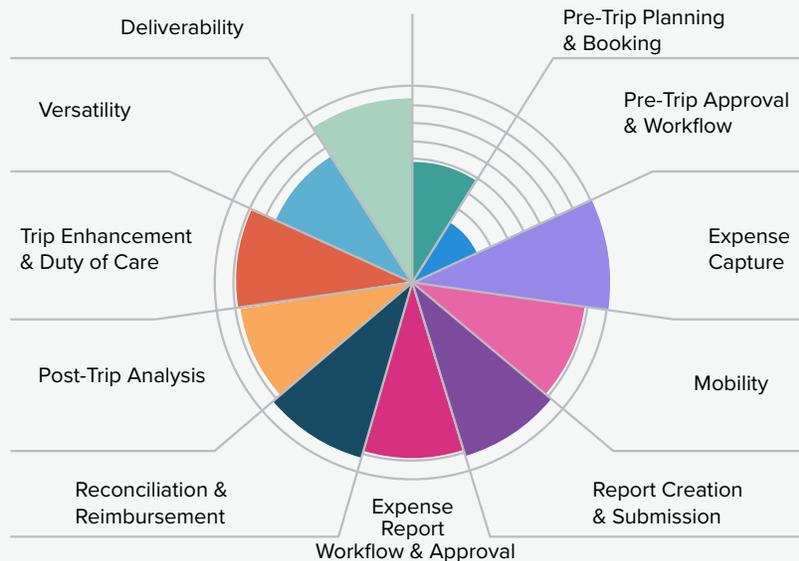
Expensify

Overview:

Headquartered in San Francisco, Expensify delivers cloud-based travel and expense management solely through a mobile expense management application. When the Expensify app was released 7 years ago, it became the first fully-mobile TEM solution.

Expensify was founded in 2008 by current CEO David Barrett and between 2009 and 2014, they received \$10.2 million in funding among three series. The funding was used to bolster Expensify’s sales and marketing by launching an aggressive campaign to target larger customers. Expensify also offers customers of Concur the opportunity to switch to its platform for free. Expensify recently closed its latest round of funding totaling \$17 million.

EXPENSIFY



Founded: 2008

Number of Employees: 100+

Most Successful Vertical(s): Technology, Non-Profit, Manufacturing, Pharmaceutical

Strengths & Differentiators:

Expensify scored highly in the Navigator model overall, but especially so in the expense capture and report creation and submission categories. As a receipt capture solution, Expensify offers automated matching of receipt data to expense



data via advanced OCR technology, as well as the ability to send receipts directly to the solution via text message. During submission of an expense report, users can collaborate directly with approvers from within the solution via chat. Users are also shown expense policy violations in real time, which increases compliance more effectively than if they learn about the violation weeks after a trip.

Advisements:

Although Expensify offers a robust solution in terms of expense capture, reporting, and reimbursement, it offers little in the way of booking or pre-trip approval. These categories should be part of a holistic TEM solution, in case they are not offered by a company's preferred Travel Management Company (TMC). In order for Expensify to continue to expand into the enterprise market, it needs to increase functionality in this area.

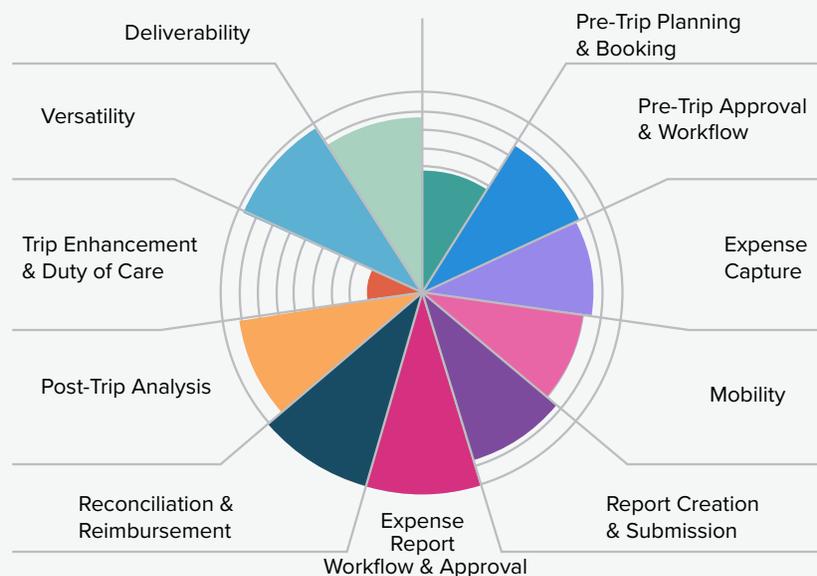


Infor

Overview:

Founded in 2002, Infor is a privately held U.S. software company that specializes in enterprise software. The company is mainly recognized for its widely-used ERP system; in 2013, it held an estimated 6 percent share of the worldwide ERP software market. In order to improve its platform, the company has acquired several leading financial software companies—most recently, Orbis Global, CERTPOINT Systems, and GT Nexus, a cloud-based global commerce platform. Acquisitions like these have given Infor customers the ability to leverage competitive automation tools with their ERP, including Infor’s competitive travel and expense management offering.

INFOR



Founded: 2002

Number of Employees: 12,000

Most Successful Vertical(s): Undisclosed

Strengths & Differentiators:

One of Infor’s strengths lies in the size of its organization. As a large global ERP provider, it has extensive resources for language and currency conversion, in-house experts in a variety of industry verticals, and a highly experienced support and professional services team. For these reasons, Infor scored very high in the



applicability category. Given the direct integration between the Infor ERP and the TEM solution, it is also easy to see how it scored high on reconciliation and reimbursement. This integration allows for direct reimbursement via payroll, ACH, or personal card credits.

Advisements:

One area in which the Infor solution could improve is in the user interface. Although functionally the solution is fairly robust, it still has the look and feel of a cloud-based ERP. Implementing HTML5 elements such as responsive design would be a good first step.

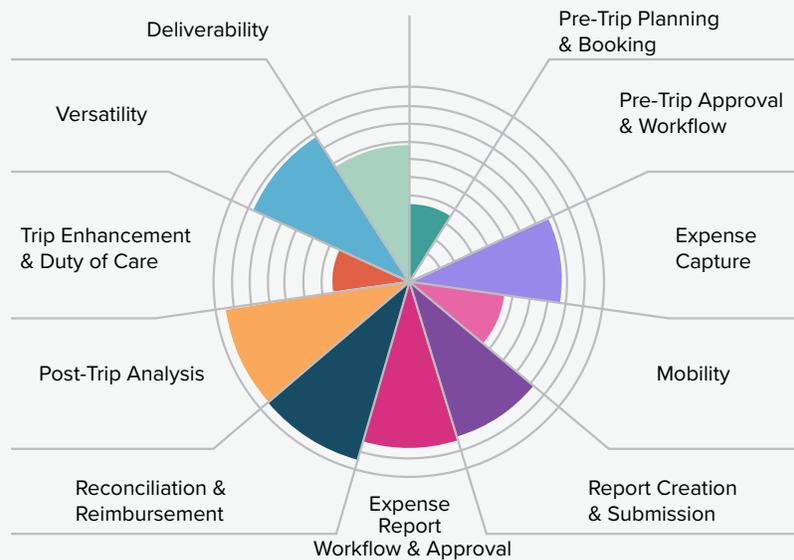


InterplX

Overview:

Founded in 1994, InterplX Expense Management is a privately held corporation headquartered near the Twin Cities. The company provides a business process product offering that combines ExpenseNet® expense report software with specialized back-office services. Features include receipt submission through expense audit, payment processing and expense reimbursement, and archiving and discrepancy resolution.

INTERPLX



Founded: 1994

Number of Employees: Undisclosed

Most Successful Vertical(s): Undisclosed

Strengths & Differentiators:

One of InterplX’s strengths lies in its audit reconciliation and reimbursement functionalities. It offers advanced integration with any ERP, AP solution, or payroll system, which includes global capabilities for reimbursement. It also facilitates direct reimbursement via ACH for cash or corporate cards, which they claim is 1-2 days faster than most competitors. InterplX also provides a personal account manager for every account and includes phone and email support at no additional charge, which is typically an up-tiered solution with other providers.



Advisements:

In order for InterplX to expand its reach in the upper middle and enterprise markets, it needs to develop a native app for Android and iOS. With a native app comes the possibility of additional capabilities such as GPS location integration and increased speed (when compared to a web app). InterplX also does not offer pre-trip approval and workflow capabilities, meaning that trip request functionality is not available from within the solution.



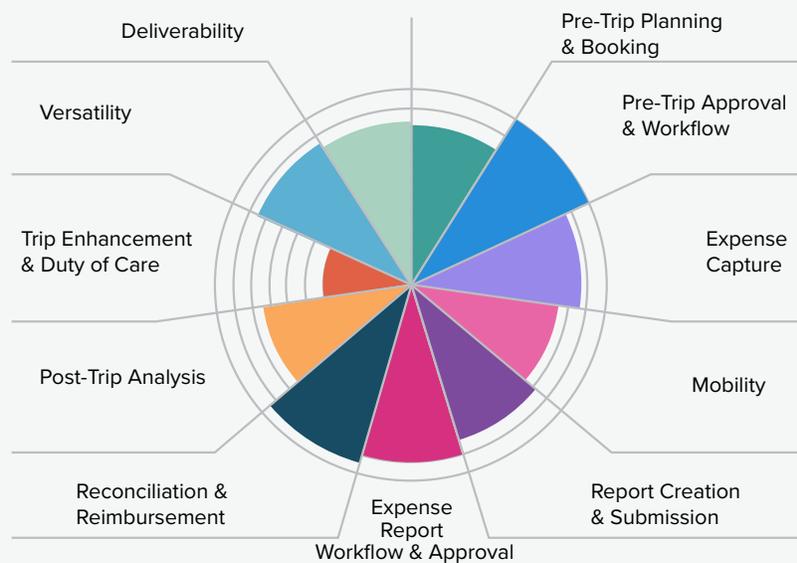
SutiSoft

Overview:

Headquartered in Los Altos, California with offices in Germany, India, and Japan, SutiSoft is a global provider of TEM, HRM (Human Resource Management), Wireless Expense Management (WEM), and CRM platforms. Its TEM solution, SutiExpense, was launched as its initial endeavor in 2009 and boasts a 97% renewal rate.

Sutisoft was founded by N.D. Reddy, the former Chairman, President and Chief Executive Officer of Alliance Semiconductor Corporation from 1985 through 2005. In November 1993, Alliance completed its initial public offering (IPO), and by the end of FY1995, it had earned the rank of 8th fastest-growing company in the U.S. by Forbes Magazine. With his vision and leadership, Mr. Reddy is once again driving new SaaS technology to change the way companies do business.

SUTISOFT



Founded: 2006; SutiExpense launched in 2009

Number of Employees: 145+

Most Successful Vertical(s): Financial Services, Retail & Restaurant, Non-profit, Healthcare



Strengths & Differentiators:

One of InterplX's strengths lies in its audit reconciliation and reimbursement functionalities. It offers advanced integration with any ERP, AP solution, or payroll system, which includes global capabilities for reimbursement. It also facilitates direct reimbursement via ACH for cash or corporate cards, which they claim is 1-2 days faster than most competitors. InterplX also provides a personal account manager for every account and includes phone and email support at no additional charge, which is typically an up-tiered solution with other providers.

Advisements:

The SutiSoft solution soundly and efficiently manages many aspects of the travel booking and expense reporting process. SutiSoft should now invest time and energy into creating more innovative applications that enhance the experience for report submitters and provide more strategic value to administrators.



Comparing Providers

The Challenges in Creating the TEM Navigator Report:

As many of Levvel Research readers may know, this is the first report including a direct comparative analysis or “grid.” As such, there were some challenges in developing this report that should be mentioned, because they bring insights for potential buyers. First, there was significant pushback from providers—even from those that scored highly—with every provider believing it belonged in the top three solutions.

Levvel Research believes that the reason for this is because there is one provider in the space that controls a large market share. Concur is at least 5 times larger than any other provider in terms of client base, and has greater brand recognition. Because it is so well known, it is rare that they are not considered when an organization invites multiple solution providers to participate. For that reason, Concur is in the final selection process for organizations more often than not. Concur’s competitors’ take this to mean they are among the top two or three providers. This often leads each competitor to believe that they are always at the table, when in reality the only provider that is nearly always at the table is Concur.

The Navigator Plane

The Navigation Plane is a scoring grid that compares providers across two metrics: proficiency and adaptability. Proficiency is a measure of both the functional capabilities and the innovative focus of a provider. Adaptability is a measure of the relative experience and resources a provider has relative to the target market the grid is covering (i.e., lower- and middle-market vs. enterprise). A further explanation of the criteria considered for each Station is explained in detail below.

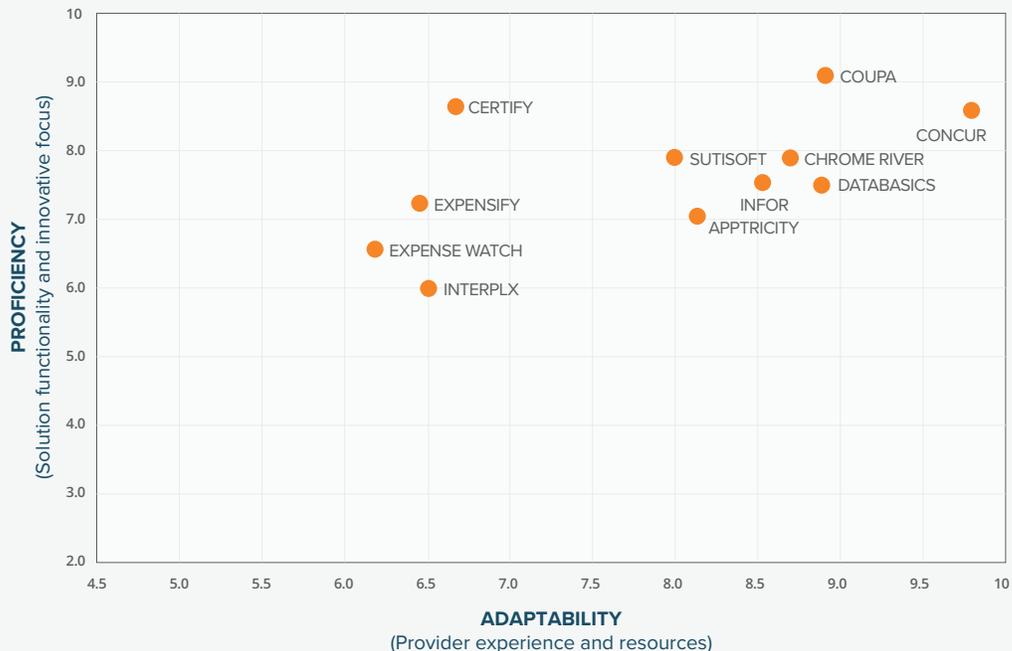
A final notion to consider is that these graphs are an enlarged version of the actual grid, which scores solutions between 1 and 10. It should be noted that if a provider is in the lower left corner of the chart, it does not mean that they necessarily lack proficiency or adaptability; those providers just had a lower score relative to the other participants. Also, this plane represents a comparison of the best of the best providers. Every provider in this report was selected out of a list of 40+ providers, and should be considered a leader in the TEM solution marketplace. Even the lowest scoring candidate has a more viable products than 30+ other providers that were not considered for this report.



TEM Plane for Enterprise Organizations

The Enterprise Plane scores solutions on their ability to meet the needs of organizations with over 2,500 employees (generally also having revenues greater than \$750 million). Larger organizations often want to integrate expense policies with pre-trip processes to automate report approval. With enterprise organizations, there is a greater need for tight integration with booking tools and for pre-trip approval and workflow functionality. For this reason, the first two categories in the Navigator—Pre-trip Planning & Booking and Pre-trip Approval & Workflow—were included in the Enterprise proficiency weighting. Trip enhancements and duty of care capabilities also tend to be important for larger organizations, so they were included in the proficiency scoring as well. Finally, the adaptability score considered the solutions’ versatility and deliverability scores, as well as their number of years of experience offering TEM solutions, total number of customers, number of enterprise customers, number of employees, and global readiness. These metrics all measured the solutions’ ability to meet the often-complex needs of enterprise solutions.

Travel & Expense Management Solutions for the Enterprise Market



- » *Concur & Coupa* – Having the largest enterprise client bases and sets of resources, Concur and Coupa scored the highest in the category, meaning that they are well suited for the largest enterprises with the most complex TEM needs.
- » *Chrome River, DATABASICS & Infor* – These solutions score fairly high on the grid, and are good candidates for the large majority of enterprise clients.
- » *Remaning Leading Providers* – Solutions like Apptricity, SutiSoft, and Certify currently hold a strong position in the middle market, and are quickly acquiring more and more enterprise clients. These providers should also be considered by large organizations, especially those that are based within North America or whose pre-trip approval or duty of care needs are minimal.

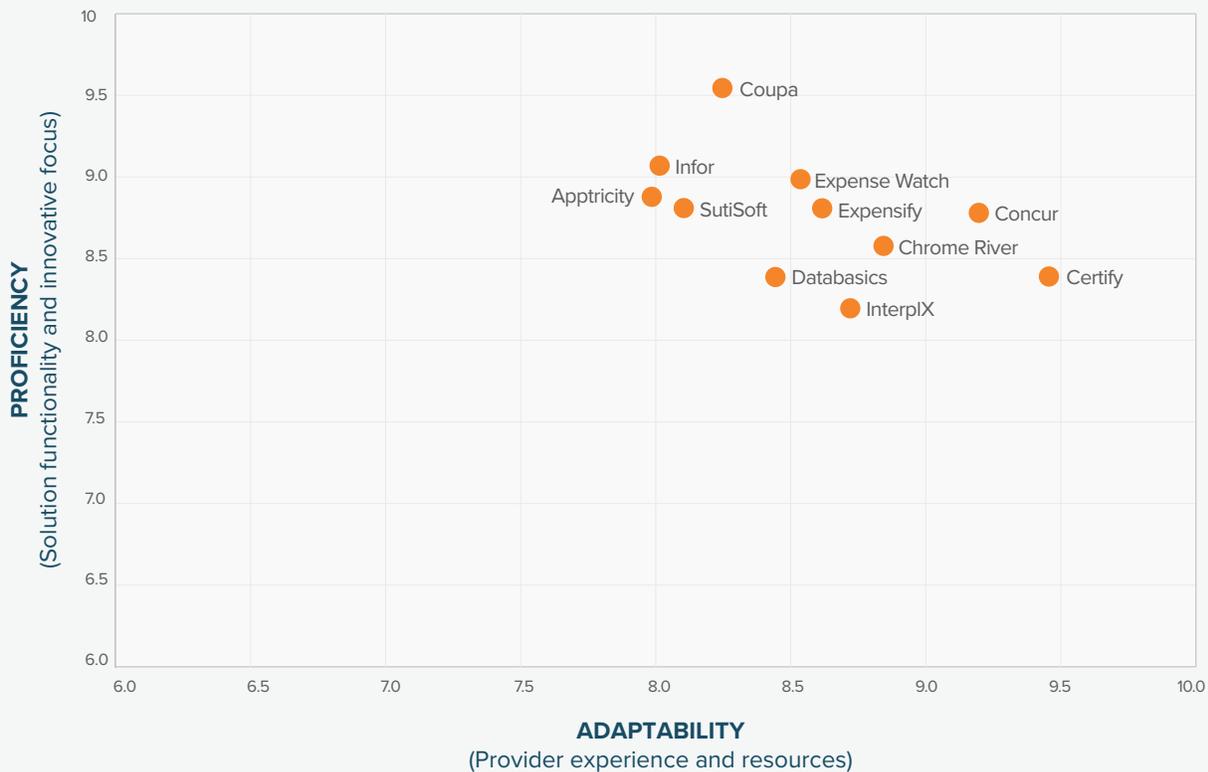
Although InterpIX features global capabilities and enterprise experience, they lack the pre-trip functionality PayStream feels necessary to lead in the enterprise space.



TEM Plane for Midsize Enterprises

Midsize Enterprises are organizations with less than 2,500 employees (generally also having revenues greater than \$50 million and less than \$750 million). Generally, these organizations do not have a need for integrated booking, pre-trip approval, or trip enhancement and duty of care functionality. Therefore, these categories are not weighted in the midsize enterprise grid. For most of these organizations, the core functionalities of a TEM solution (Expense Capture, Mobility, Report Creation & Submission, and Expense Report Approval & Workflow) are most important. Solutions that offer the most robust and easy-to-use features in these areas are best suited for midsize organizations. As such, these categories are heavily weighted in this grid. The adaptability axis in this grid takes into account recent experience with organizations of this size, offering a solution that is very cost-effective for midsize organizations, and offering the ability to start using the solution without customized implementations.

Travel & Expense Management Solutions for the Midsize Enterprise Market



- » *ExpenseWatch, Expensify and Certify* – These three providers have offerings that are best tailored to the smaller organizations within midsize enterprises. They have strong core functionality in terms of expense management—without the superfluous bells and whistles of their larger counterparts. They also have pricing models that make the most sense for smaller organizations, and since they are fairly new providers, have the most recent experience with smaller organizations.
- » *SutiSoft, Appticity, InterplX and Chrome River* – These organizations make the most sense for the larger organizations within the midsize category, having robust capabilities and high scores in adaptability. They have also been around longer than the candidates above, and have more experience with midsize organizations.

Fast Risers

These providers deserve special mention because of their exceptional growth during the past few years. Both providers are improving their offerings at a faster rate than the other providers, and consistently receive outside funding for their initiatives. Though they are still relatively small, PayStream expects these providers to soon be ready to fully compete in the enterprise market as they have doubled or tripled in size in the past 2-3 years.



Who's Missing?

Participants in the Navigator were chosen based on a variety of factors. PayStream refined a list of over forty solution providers down to eleven of the most qualified companies. Participants were chosen based on their prominence in the market and PayStream's familiarity with their innovative offerings.

The Navigator report requires a significant time commitment from both PayStream and the solution provider, and PayStream understands that not all providers had the bandwidth to participate in this edition. PayStream especially regrets not being able to include Runzheimer International and Ariett, and hopes they are able to participate in the next TEM Navigator. Furthermore, the providers listed below did not meet the requirements to participate in this report.

Abacus

Aestiva

CentrixEMS

Clarcity

Deem

Expense Anywhere

Expensebot

Expenseout

ExpensePath

ExpensePoint

ExpenseVisor

Expensya

Expensing

ExSpend

Fraedom

Gorilla Expense

Insperty Expensable

Itemize

KDS

Netsuite SRP

Nexonia

ORACLE

Oversight

Paramount Workplace

Star system solutions

TriNet

Trippeo

Unit4

Webexpenses

Xpenditure



About the Navigator

Methodology

The Level Research TEM Navigator report is composed of eleven category scores. Each of these scores comprises up to eleven individual functionalities or offerings, for a total of over 100 individual scores. Level Research uses a combination of three data sources to assess the strengths and weaknesses of each solution:

Solution Provider Questionnaires

As part of the research practice, Level Research has collected questionnaires from report participants for over fourteen years. This data allows Level Research to analyze providers longitudinally and attain an understanding of how organizations see themselves.

In-Depth Product Briefings

Each participant was asked to give a full demonstration of their solution, a roadmap presentation, and an analyst review session.

PayStream Benchmarking Groups

Level Research conducts several industry benchmarking groups with end-users, where leaders and innovators in Travel and Expense Management can share experiences with peers and Level Research analysts. From these groups, Level Research gathers an understanding of customers' experience with each of the participating solutions, from implementation through ongoing customer support.



About Level Research

Level Research, formerly PayStream Advisors, is a research and advisory firm that operates within the IT consulting company, Level. Level Research is focused on many areas of innovative technology, including business process automation, DevOps, emerging payment technologies, full-stack software development, mobile application development, cloud infrastructure, and content publishing automation. Level Research's team of experts provide targeted research content to address the changing technology and business process needs of competitive organizations across a range of verticals. In short, Level Research is dedicated to maximizing returns and minimizing risks associated with technology investment. Level Research's reports, white papers, webinars, and tools are available free of charge at www.level.io

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