

CWT Client Review identifies cost saving opportunities – achieved savings of over \$2million

TRAVEL PROGRAM REVIEW
Australia

FAST FACTS

Industry: Manufacturing

Scope: Leakage in travel program costs millions. Client's travel policy and booking process requires an in-depth review to identify areas for cost savings.

Results at a glance:

- Increased online adoption to 80%
- Average domestic ticket price reduced by \$117
- Reduced travel centre staff by two, saving \$73K

THE CHALLENGE

In their current environment of having poor online adoption and a culture dependent on consultant bookings, a leading manufacturing company was determined to reduce total travel expenditure by AU\$500,000 and create internal efficiencies within the organisation.

THE SOLUTION

Lead by their CWT National Account Manager who identified the leakage in their travel program using the CWT Diagnostic Tool, Carlson Wagonlit Travel implemented a short and long term strategy with the goal to refine internal procurement process and drive cost savings.

The Client's Travel Policy was revised with the help of CWT Policy Builder, and the Online Booking Tool was subsequently customised to meet the Clients specific travel policy requirements, this included:

- Mandating use of the Online Booking Tool for all domestic travel
- Senior management 'buy-in' supporting this mandate
- Appointed key internal champions for each business unit to drive internal compliance and adoption
- Tailored Online Booking Tool to show only cheapest fare available at point of sale, unable to request flexible fares
- Implemented an incentive program to encourage use by individuals
- Focused client/traveller communications around the benefits that the changes would bring

Mandating the use of the Online Booking Tool was a success; consultant bookings significantly reduced and travellers and travel bookers were empowered to select the itinerary that best met their business travel needs, driving overall program objective of reducing the processing cost of travel. The integrated platform increased productivity through its high levels of automation and reduced errors that cost time and money.

THE RESULT

Online Booking adoption levels rose to a consistent 80% in 2007 resulting in average domestic ticket price reduction of \$117 generating savings of \$2,227,680 in 18 months.

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With increased online adoption, long term savings were realised through the reduction of travel management costs; travel centre staff was reduced from five to three consultants, saving \$73,000K.