

Consulting company saves \$4 million by improving discounts and minimizing losses

AIR SOLUTIONS
UNITED STATES

THE CHALLENGE

The U.S. region of a global consulting company had previously worked with Carlson Wagonlit Travel to identify \$30 million in incremental savings for its air program. The company was finding it difficult to enforce traveler use of a specific carrier—making it difficult to negotiate airline agreements. In addition, with multiple offices in 23 states, the client had little time to focus on details and needed an ongoing resource to turn to as travel industry events impacted its travel program.

The client was seeking supplemental savings by improving discounts with key air suppliers and minimizing losses with others.

THE SOLUTION

The client re-engaged Carlson Wagonlit Travel to assist in negotiating airline agreements. *CWT Air Solutions*SM analyzed travel patterns and completed a benchmarking study to gauge overall program effectiveness against unbiased market intelligence. CWT examined the potential impact of reducing the number of suppliers and identified best-in-class savings opportunities. Then, leveraging critical data and its own industry expertise, CWT created a customized plan to influence targeted airlines about the benefits of partnering with the client.

THE RESULT

CWT identified \$4 million in incremental savings opportunities. This was achieved by increasing discounts from key suppliers—while retaining the benefits of the current strategy—and reducing losses on carriers less amenable to negotiations.

The satisfied client hired CWT to manage a continuous improvement process between RFPs for both its air and hotel programs, monitor contract effectiveness, analyze contract rewards, and benchmark its rates versus the industry. The CWT program optimization program provides a monthly analysis that equips the client to understand both the current status and options, and drives productive dialogue with carriers at quarterly meetings.

CONTACT

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FAST FACTS

Industry: Consulting

Scope: 30,000 travelers; 25% international spend

Volume: \$200 million in U.S. air spend

Results at a glance:

- \$4 million in incremental savings
- Improved carrier discounts
- Minimized losses
- Travelers retained choice of carriers

