

ArjoWiggins

Old-fashioned is getting expensive

The future is online: ArjoWiggins, the world's largest manufacturer of special paper products, is focusing on consistently booking business trips online in Great Britain. With the help of travel agency TQ3, the company has formulated clear targets for the percentage of trips to be booked online. They have an incentive: If they reach their target, their management fee will be reduced.



When Jim Body, who works as Technical Manager at ArjoWiggins, Chartham in Kent, wants to plan a trip to company headquarters in Issy-Les-Moulineux near Paris, his first move is to visit the site's Intranet. Jim organizes and books his trip to Paris using the ArjoWiggins TravelNet. Since this won't be his first time traveling to company headquarters in France, it is easy for Jim: The flight to Paris and rental car booking are already stored in TravelNet. Using SpeedBook™ technology, the manager is only a few clicks away from embarking on his new trip. ArjoWiggins TravelNet is based on cytric, by i:FAO.

ArjoWiggins produces fine papers. The company, based in France, does business around the world and is the world's largest producer of fine papers. 7,300 employees at 31 locations produce a wide array of papers ranging from high-quality photographic paper to identity card paper to the various kinds of paper needed in the medical industry. The company has a yearly turnover of 1.7 billion Euros and thinks of itself not only as a manufacturer, but as an innovator.

ArjoWiggins has three research centres that are constantly developing new products.

ArjoWiggins in Great Britain decided to be innovative when it comes to booking travel as well. For twelve years, ArjoWiggins had been using the same travel agency. In 2003, the paper manufacturer decided it was high time to look for another, more modern travel partner. One condition was that the agency had to provide a tool for booking business travel online. Says Gill Howard, Purchasing Manager for ArjoWiggins UK and the company's Business Travel Manager: "There's no getting around online booking these days. Employees that book their own business trips lower costs for their company." ArjoWiggins invited eight travel agencies to come up with a concept, four of which made it onto their short list. All had different online booking systems, and ArjoWiggins decided on TQ3. The multinational travel agency chain entered the contest with cytric on its side -a big plus. In addition to TQ3's "flexibility and good price/performance ratio," the British paper manufacturer also liked TQ3's online application. Says Gill Howard: "cytric was the most user-friendly product we were shown."

Another advantage: The travel partner proved that online booking and the service provided by a travel agency can work in harmony. TQ3 offered ArjoWiggins an incentive to reach the 50% threshold for online booking of travel throughout the UK. Once ArjoWiggins reaches this mark, their management fee will be reduced. "That was another point that made the product attractive. It's ideal when both the company and its travel agency work to promote online booking and are not at cross purposes," says Gill Howard.

Since the summer of 2003, every business traveller among the 1,800 employees at six

locations throughout Great Britain has been able to book online. The fact that the paper manufacturer has a number of very frequently travelled routes makes online booking all the more attractive by increasing the rationalization. Among ArjoWiggins most important routes are trips from London to Paris and from London to manufacturing facilities in Scotland. 90% of online bookings are flights, yet hotel rooms and rental cars can also be booked on their TravelNet. The company is also aiming to integrate British low-cost carriers into the solution, but this is not possible at all locations. Many ArjoWiggins facilities are located near airports not served by the low cost airlines.

Purchasing Manager Gill Howard is happy to have integrated the railway timetable system into the TravelNet as well, including Eurostar and the French national railway company SNCF.

TravelNet has seen increased use since it was launched in mid 2003. Nothing dramatic, but the increase has been constant: After 12-15% the first year, use increased to 25% in the second year. Current projections place relative frequency of online booking at 40%. Gill Howard is confident that the company will surpass 50% in 2005, and reach 70% in 2006. Yet due to the structure of travel undertaken by company employees, more than 70% does not seem to be possible unless employees can utilise TravelNet to book complex trips as well. Some already do. Says Gill: "It's amazing how some employees have turned into real experts."

Yet managing change and breaking with tradition has not been entirely glitch-free. Until quite recently, ArjoWiggins employed its own booking agents, whose only job was to book trips for company employees.

"Reservations were made over the phone for years. It takes a while before you get used to a new way of doing things," says Gill. Travel management is being implemented cautiously. Online booking has not yet been made obligatory, but the chances are it will eventually in order to keep costs down to a minimum.

The ArjoWiggins Travel Management team is raising TravelNet awareness by means of its own internal, virtual currency. Although ArjoWiggins pays TQ3 a management fee for its services - individual transactions are debited internally - managers see how much the travel administration costs against their budget . Booking a flight within the UK online is about 8 British pounds cheaper, while continental online bookings save 12 pounds against using the telephone. "That opens many people's eyes," says Gill, "It shows them that booking travel the old-fashioned way really costs."

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