

Ikea Germany

## “Still telephoning, or have you clicked yet?”

Trend setter Ikea Germany: 80 per cent of all reservations are already being made online only ten months after the launch of online booking with cytric from i:FAO. The largest furniture retailer in the world has implemented cytric in a couple of european countries and would like to go further.



There is something that Tanya Roberts really likes about her new online tool: the alert function when a member of staff is in danger of exceeding the travel guidelines. Why? Because cutting costs is an essential part of the Ikea philosophy: not only for products but also for business travel. The 1800 business travellers at Ikea Germany always fly economy class, travel second class by rail, and have no trouble reaching their destinations using category A and B hire cars. “Fantastic,” says Tanya Roberts, “the system lays down a clear travel policy but is still flexible.”

An 80 per cent adoption rate after only 10 months online booking. Tanya Roberts sees this as a “super result”. How was it achieved? Simple, Ikea staff are uninhibited when it comes to innovations, and are willing to make changes - especially when they see that it brings positive advantages for them and the company. This is naturally also thanks to cytric from i:FAO says the 38-year-old Manager Business Development and Purchasing Manager.

When a project group of Ikea travel specialists and the travel agency partner TQ3 got together at the beginning of 2004 to explore the idea of online booking, they soon

reached agreement that cytric would be the best solution. "We looked at several systems, but cytric convinced us the most," says Tanya Roberts, who began her job at Ikea seven years ago as personal assistant to the head of Ikea Germany.

"Even the first glance at cytric's entry mask gives a good impression, and the tool is easy to understand and operate, and has highly praiseworthy customisable parameters," says Tanya Roberts. eProcurement is currently the buzz word at Ikea. In the past, all 33 German Ikea markets (turnover Euro 2.5 billion) organised their purchasing themselves. Things changed in 2004 when an in-house internationally active subsidiary became exclusively responsible for purchasing: "IMS - Ikea Indirect Material & Services." Tanya Roberts is the ISM business developer for Germany. She is also responsible for organising the procurement of services, office materials, logistics hardware, and a whole number of other things. When IMS started, it was already clear that the company could also make savings when buying travel services. Ikea had previously operated its own travel agency at its German headquarters in Wallau/Hessen. This was contacted by all staff when ordering tickets. The reorganisation process involved strengthening co-operation with their business travel partner TQ3, reducing the size of the travel agency, and implementing online booking. During the test phase from May to August 2004, 50 frequent travellers tested the tool in Wallau. "It functioned perfectly after just a few teething problems," explains Tanya Roberts. There were therefore no doubts that online booking would be rolled out nation-wide in September under the name cytric. Each of the 1800 travellers now registered in cytric (including one third frequent travellers) do their bookings themselves. There are also Travel Arrangers

for some departments, such as construction, who organise travel for architects and engineers.

The cytric launch was given a good start by arranging a "Travel Info-Day" in the Wallau headquarters. The event took the form of a marketplace where the service providers, including i:FAO, presented themselves to the staff. Implementing cytric was hampered at the start by capacity bottlenecks between the Ikea network and the internet: "We soon dealt with that," explains Tanya Roberts. The adoption rate had already risen to 70 per cent only three months after the online start. Because of the high level of acceptance, Ikea integrated more and more providers within the online tool: cytric is to be the central and only booking tool for business travel for all furniture dealers. The ability to book flights and rail tickets was supplemented in mid 2005 by the integration of car hire companies and hotel providers.

Although they are only "extras", Tanya Roberts still likes the cytric currency reminders and climate details. "These are very practical aspects, particularly when one is doing the packing." A rapid overview of all providers - including cheaper ones - also has very useful benefits. Tanya Roberts estimates that they have been able to save Euro 10,000 to Euro 15,000 in the first year in the hotel sector alone. Savings in the flight sector will really make an impact in 2006. And naturally, Ikea pays less for an online booking than for a telephone booking to TQ3 in Mainz.

These arguments have also thoroughly convinced Tanya Roberts' international colleagues. Travel managers from many Ikea countries scrutinised cytric in Germany at the start of 2004, "and were very

enthusiastic," reports the German travel manager. As a result, cytric has just been implemented in England, planning is well underway in Austria, and Tanya Roberts flew to America in mid 2005. It is intended to use cytric in all regions around the world (44 countries, 84,000 staff, Euro 12.8 billion turnover). All in line with the Ikea slogan: "Still telephoning, or have you clicked yet?"

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