

Stora Enso

## "A new feeling for costs"

Employees at Stora Enso, the Swedish-Finnish paper and packaging group, started booking business trips online with cytric in September 2004. Changing travel agents in Germany in early 2006 challenged the booking application's flexibility.



4,500 employees and 1,400 business travellers in Germany alone - Stora Enso, the paper and packaging group, really is dynamic. This globally active company, with a 2004 turnover of Euro 12.4 billion, has a client base which includes major publishing houses and consumer goods manufacturers. With 14 locations in Germany, there is a high demand for travel. Today's travel budget is Euro 4.5 million.

Five years ago, Renate Clausen, head of personnel in Hamburg, took on central responsibility for travel management for all German operations. A lot has happened since then. Only five years ago, 80 per cent of German staff flew business class, 20 per cent economy. The ratio has now reversed. Renate Clausen: "The quality of travel services has not suffered." Travel expenses offered many points of leverage to reduce costs, says the head of personnel. The trick is to sensitise staff to low-cost travel opportunities.

Stora Enso adopted a new tool to help achieve this goal in September 2004: cytric. The introduction of online booking gave Stora Enso employees a "new feeling" for the cost of business trips. The actual costs generated by a trip are displayed on screen together with alternative modes of transport and journey times. "It does not always have to be the

expensive 7 a.m. flight", points out Ms. Clausen. Cytric focuses employee's attention on less expensive alternatives, either with other airlines or different departure times. The question the Hamburg-based travel manager asks is: "Why not have a meeting at midday?" A question many of her 1,400 colleagues in Germany now pose themselves. Online booking hones the self-responsibility of travellers, says the personnel manager. An awareness which benefits the company. Stora Enso is enjoying a ten per cent reduction in its overall travel expenditure every year - irrespective of the growth in business turnover and corporate acquisitions.

Stora Enso took the online booking route to achieve better control, not only of direct but also of indirect travel expenses. The introduction of revised charges by travel agents caused Renate Clausen to switch to direct online booking in June 2004. The company's travel agent partner provided proactive support when the paper manufacturer went online. Renate Clausen reviewed the online booking tools available from various providers, although not "in any great depth". She quickly arrived at her decision: cytric is more easily understood by users, "it is an excellent system with many options." cytric offers the best overall package. The application went online in all German Stora Enso locations only three months later.

Hertz and Europcar have links to the Stora Enso online booking system. The hotel database includes not only Stora Enso's corporate rates, but also those of BTI Euro Lloyd. Deutsche Bahn has been activated in cytric since the launch.

Stora Enso allows bookings to be made both by business travellers themselves as well as by travel arrangers in the case of group bookings. The travel arrangers and the travelling staff were given training along with the travel

agency. All questions and responses generated in training sessions, including best practice examples, were compiled in a 50 page manual, now used as an aid in the day-to-day activities of travel arrangers and employees. Complex travel itineraries can still be arranged using the optional travel agent services. Renate Clausen is "very happy indeed" with the online rate at Stora Enso. Her targets have all been reached; after only twelve months the adaptation rate is 48 - 50 per cent. "That is an excellent result for our company," she says. Background: Stora Enso has a high portion of more complex business trips, the bookings for which will only gradually be shifted online.

The use of the booking tool is enhanced by arranging for experience exchanges between the travel arrangers in all locations. All Stora Enso travel arrangers meet once or twice a year in a "Reference Group". This is where all locations and subsidiaries can learn from those parts of the organisation which are already further down the cost-reduction road.

The openness of the cytric system was convincingly displayed in early 2006. Stora Enso changed its travel agency within Germany and implemented a world-wide consolidation with American Express Business Travel. The online application took the move in its stride. cytric was taken off-line at Stora Enso at year-ending, and was up and running again only four weeks later with the new travel agent partner. In the intervening period, American Express undertook all modifications required for American Express. As far as Stora Enso was concerned, nothing changed. User profiles, passwords, system name - everything stayed the same. Renate Clausen: "Our staff still work with an identical tool."

cytric's commitment is one of the key benefits as far as Renate Clausen is concerned. Many Stora Enso employees do not have conventional

working times. So an online travel agency which is open non-stop, around the clock, is "ideal", says the travel manager. She herself books all her own business trips outside of normal office hours.

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