

Electrolux AB

Fourth time lucky

Electrolux was an early mover in the field of online bookings and has had to accept some failures. After several fruitless attempts, it has now found the right online booking system for its European needs. The dream of a global system has not materialised.



Jo-Achim Hamburger is definitely one of Germany's high profile travel managers. He is a lateral thinker and a pioneering spirit. Originally in charge of travel management at AEG Domestic Appliances, he is now the person responsible for global travel management at the Swedish Electrolux AB group. Electrolux AB distributes its products under the brand names AEG, Electrolux and Zanussi in Germany. The group has 53,000 employees and annual sales of Euro 11.7 billion.

Jo-Achim Hamburger first sought to satisfy Electrolux's online booking requirements on the threshold of the new millennium. In 1999 Electrolux introduced one of the leading US tools into Denmark followed by a 2001 roll-out in Sweden. The ultimate target was to introduce the product into all Electrolux locations worldwide so as to handle all global business travel requirements on a uniform platform. Electrolux chose Denmark as the test market for the US system because of its size and the fact that the Danes already had lots of internet experience.

The problems started when it became apparent that the system could not meet some group demands, for example integration of the SAS Corporate Pass. Mr Hamburger

also recalls the sluggishness of the application and the low level of staff acceptance. "It simply didn't work, maybe we were too quick off the mark," is how he sums up the situation today. The US-based system was abandoned by Electrolux in 2001.

Electrolux then tried a solution in Sweden delivered by a European GDS provider - and was again confronted with problems: too many error messages, no price display, service providers could not be integrated. This attempt was cancelled by Jo-Achim Hamburger after only six months. "Luckily we were able to establish a reputation for being dependable in other areas," he says now, "so that people quickly forgave us these stops and starts."

In America Electrolux decided to implement a different US tool. This was introduced in 2003 and is well accepted by staff. It actually works very well there, says Mr Hamburger. It was only logical to transfer the system across the Atlantic. To Europe. But - surprise, surprise - the same old problems raised their heads in Europe. The interface to Amadeus arrived after a long delay. Functions which are crucial here were simply not available, for example the US tool could not map the SAS One-Way concept introduced in 2006. According to Jo-Achim Hamburger: "They simply don't understand our problems - so the support had to come from Europe."

After the failure of this American system in Europe, Electrolux finally dropped the idea of introducing a global e-procurement system for business travel.

By this time, Jo-Achim Hamburger and his travel agent partner, Carlson Wagonlit Travel, had agreed that cytric would be the ideal system for all European Electrolux

locations. Electrolux has actually been organising its business travel requirements with cytric in eight European countries since 2005, it has just been rolled out in Sweden and is planned for Poland and Hungary very soon. cytric will very probably be introduced in a further nine European Electrolux countries.

Jo-Achim Hamburger is very pleased with today's solution. He cites the clear display of restricted one-way tariffs and that the interfaces to outside providers, such as hotel.de, German Rail (Bahn), Avis and Air Berlin, all "work perfectly". Staff members are very happy and have accepted the application without resistance. In Austria, cytric has an adoption rate of up to 65 %, in Germany it is between 45 and 50 %. "These are very high values for what is basically a conservative manufacturing organisation," explains Hamburger. Especially when one realises that, of the 8500 travellers at Electrolux, a relatively high number often require comparatively complex round trips which cannot always be straightforwardly booked online.

Mr Hamburger has employed all the tricks available in the change management toolbox to whet the appetites of his staff for online bookings with cytric - no easy task when one takes the chequered history into account. In order to achieve today's excellent results he organises three to four work training sessions per week, face-to-face meetings at locations, a top-management support commitment and has even produced an in-house training video.

This travel manager has, however, finally dropped all plans to introduce a global online system. The needs of the different continents are simply too disparate in terms of GDS and functions. Users have

different cultures. Whereas American staff prefer a "sexy" booking interface, people in Europe prefer a more "plain-Jane" approach, one which cytric can fully satisfy.

Mr Hamburger's advice on the issue of online bookings is to be realistic. cytric is not a magic wand, something which can be everything to one and all. "There is simply no tool which can meet all aspects of the business." Having said that, he sees no alternative to the online booking process. Savings in processing costs are definitely significant although the average ticket price paid by Electrolux has only fallen by between seven and nine per cent thanks to the online booking option. He doubts those who claim higher levels of savings. "I'd like to see their figures."

And what is his advice to those colleagues who are now considering the introduction of an online tool? His words are clear and reflect experience gained: "Choose the best product available, forget the rest."

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