

TRW Automotive

From chalk to cheese

Following a brief intermezzo with an American online booking system, automobile component supplier TRW Automotive now enjoys average ticket savings of 25 % and booking costs down by 16 % only one year after introducing the cytric system. Travel Manager Peter Bethke was by no means a push-over for the online booking sellers.



He admits it quite openly: Peter Bethke, travel manager at TRW Automotive, believed in travel agents, a person with conservative attitudes. Asked whether machines could replace people in this field while he still worked for the American Express Business Travel organisation, his response was a no-nonsense "impossible". The 41-year-old is now happy to admit that he has changed from "chalk to cheese". Peter Bethke, travel manager, has come to appreciate the fascinating possibilities available from a fully developed online booking system and how quickly an online tool can display information to users. A step for which the traditional method simply allowed no time.

Peter Bethke is now an ardent supporter of online booking, so much so that he has taken on the role of cytric administrator in his company (19 locations and 12,200 employees in Germany with global sales of US\$ 12.6 billion) and is absolutely at home throughout the application. Peter Bethke admits to often being amazed by the scope of options available from a top range travel management system like cytric.

TRW Automotive rolled out cytric in all 19 German locations in April 2004. The application is currently being introduced into Spain. The adoption rate (online share versus offline share) soared to over 45 % within four weeks of the start of online booking. "We were really astonished," says Peter Bethke, who had personally expected to see a maximum of 25 %. The level of acceptance has now climbed to 60 % and Mr Bethke does not expect it to stagnate there. He anticipates 70 to 80 % online bookings within the Group as a whole. A goal which is probably nothing less than realistic, because the secretaries and travel arrangers responsible for booking many journeys have already reached an online share of over 90 %. The online rate is usually slightly lower where the travel frequency is lower, i.e. where there is less experience in using the online booking functions. Mr Bethke: "All our figures tell us that we are moving in the right direction."

The switch from offline to online was achieved at TRW Automotive without compulsion. The only obligatory aspects of online booking refer to rail tickets and low-cost carriers, otherwise staff are only subject to a management appeal to "please book online." The car component supplier wanted to structure the introduction "as liberally as possible", according to Bethke. "The tool offers lean processes and a simplified booking administration - two aspects which are almost justification enough on their own", says Peter Bethke. And that is why the company has not introduced any incentive measures. Mr Bethke does, however, run a comprehensive training programme: web-based training sessions supported the introduction of cytric. Regular training sessions and workshops organised at all sites have helped build staff familiarity with the tool. Peter Bethke is very

involved: the travel manager and cytric administrator is available as point of contact to all staff members.

The high level of acceptance at TRW Automotive in Germany of online booking was not necessarily a foregone conclusion, especially since the company had already had a prior sobering experience with the business travel e-procurement. In the USA, the American Group has been using a popular US tool since 2000. In 2001 this online booking system was introduced into Great Britain, and to Germany in 2002. TRW Automotive's intention was to implement a common system world-wide. What sounds good in theory does not always work out in practice. TRW Automotive Deutschland achieved an acceptance rate with this leading US system of only 7 %, reports Peter Bethke. The staff simply did not feel at ease with it and didn't accept it. There were technical problems, pricing information did not satisfy corporate requirements, the integration of third party providers (Deutsche Bahn and low-cost carriers) was not possible. In short, the product was simply not tailored to the German market, says Peter Bethke. Based on this experience, he would advise German companies and colleagues in the travel management scene against this particular US tool.

TRW Automotive was therefore forced to drop its international one-system strategy and decided instead to implement the respective market leader in its various national markets. This made cytric the only choice in Germany. TRW Automotive sources cytric from its travel agency partner, American Express Business Travel. Peter Bethke: "cytric proved to be exactly what we were looking for." It can provide detailed mapping of in-house travel regulations, flight selections are fully displayed, there is no need to book in

individual steps. Peter Bethke finds cytric handling of preferred suppliers to be particularly persuasive and that it always displays the full selection on offer, "including low-cost carriers". The travel manager also praises the many interfaces available to third party systems, all of which are used by TRW: Deutsche Bahn, Hertz car rentals and HRS are all integrated in cytric. The additional charges for bookings are something which Peter Bethke is "happy to pay", because the car component supplier does not want to burden its staff members with "the hassle of clicking through multiple booking masks." The savings generated by this process "easily outweigh the extra charges." Peter Bethke adds that if a staff member were to make a hotel reservation by phone, in 95 % of all cases they would not get the best rate - in online booking they always do.

It is in the low-cost range in particular where Peter Bethke thinks cytric excels. TRW sites in Germany focus on low-cost carriers. They are supported by the functionality available in cytric. Unlike other booking systems, flight cost enquiries are not restricted to individual airports, but can have a scope specified as a radius. In Nordrheinwestfalen this is very useful since there are a number of alternative low-price airports available in the vicinity. Bethke: "This is a remarkably successful technical solution." At TRW, online flight bookings have not been restricted to European travel for some time now. Trips to world HQ in Detroit and intercontinental flights can also be simply booked online - provided they are straightforward round trips.

Contact:

i:FAO Group
Clemensstrasse 9

60487 Frankfurt am Main
Germany

Telephone +49 (69) 7680-5500
Fax +49 (69) 7680-5555
information@ifao.net
www.cytric.info

i:FAO Group GmbH
Registered at: Frankfurt am Main, Commercial Court Frankfurt, HRB 73600 Managing
Directors: Louis Arnitz, Karin Froese