

Kärcher

How to turn 12% into 84%

Kärcher, the cleaning specialist, boasts an adaptation rate of 84% for online bookings – despite a poor opening position and a pessimistic forecast. All achieved without compulsion: Kärcher has used only persuasion to increase the rate of cytric usage.



The forecast was dire: The travel agent partner forecast an adaptation rate of 12% in 2004 when Kärcher first raised the subject of online bookings. The reason: Kärcher has 41 foreign subsidiaries spread throughout the world so it has no main routes, there is no classic point-to-point traffic, the configuration in which online tools are particularly effective and can generate fast results and savings. The travel pattern of this family-owned enterprise based in Winnenden/Germany is more like an evenly spaced network. Theoretically, at least, a poor base for the introduction of an e-procurement application for business travel.

Lioba Eller, travel manager, did not let herself be sidetracked by the theory and focused purely on practice. Kärcher was looking for an online booking tool to give secretaries a way of finding connections and prices, and make reservations and bookings. BCD Travel, Kärcher's travel agent partner, offered Kärcher a choice of applications. Travel management took the time to consider the various systems, make trial bookings – and chose cytric. "cytric has a self-explanatory interface and is the most wide-spread system," is how Lioba Eller explains her choice. Since that decision was made, cytric, going under the

name "IBE", has been available in the intranet of this rapidly growing business (annual turnover € 1.25 billion, 6540 employees). In the Kärcher configuration, cytric also integrates individual hotels with which the company has contracts, VDR rates (flights) and the HRS, SIXT and Hertz databases. A link to German rail (Deutsche Bahn) is also planned.

cytric was activated in an initial phase in 2004 for Kärcher's top and second tier management. Since then, 60 secretaries have used the system to book the business travel needs of senior management and departmental managers at six German locations. Success quickly followed in the footsteps of introductory training organised by travel management. This user group alone achieved an adaptation rate of 34% in the first six months.

Lioba Eller remembers that while there were pockets of resistance and scepticism, in a very short period even older travel arrangers were soon using the new tool like experts, after putting their initial doubts aside. "I had actually expected more opposition from the staff," says Lioba Eller, "but it actually turned out to be a pretty smooth transition." The main advantage for users is information. Questions like "who flies from A to B?" are answered in a matter of seconds. In the past, travel management often had to get involved. Lioba Eller: "Travellers used to have to wait half-a-day before their trip was in the bag, today the whole thing is done in minutes, and he can wait and watch while the travel arranger does it."

After a 12-month introductory phase, Kärcher activated cytric for more departmental levels, and from autumn 2007 even staff with very extensive travel needs, for example in the sales department, will have access to online

booking. This is in response to grassroots pressure. More and more employees "want to use the system themselves," explains the head of travel and event management.

Although it is not even three-years since the introduction of "IBE", Kärcher travel management is extremely happy with its online rate of 84%. A figure achieved without any compulsion whatsoever, people were only told that the target was 60%, says Lioba Eller. The travel arrangers were given the training they needed, there is a corporate cytric website on the intranet and once a year all travel arrangers are invited to a workshop to learn about innovations, tips and tricks. Travel management is of course available to answer all system questions. Lioba Eller: "Our secret is having open communications with our staff."

Travel management at Kärcher has also incorporated a safety loop. Every booking generated by cytric is immediately processed, but also quality tested by travel management for security reasons. Each booking is given a plausibility and price check, and is reviewed to confirm that no travel regulations have been evaded. Although the Kärcher travel management team did have to take action on a number of occasions after cytric introduction, it now happens very infrequently, says Lioba Eller.

Kärcher also achieved its high adaptation rate because online bookers are not scared of organising complex journeys. They do not even shy away from open jaw trips. Business trips involving up to seven legs are almost, but not quite, the order of the day.

Lioba Eller is convinced that online booking has generated some significant savings for the company. The cytric system also provides on-screen displays of low-

cost flights from Stuttgart, a segment which is gaining importance for the company. The management fee has been cut in half, in 2006 travel expenditure fell by 15% to Euro 1.4 million. During 2007, the absolute travel volume of this cleaning firm is expected to rise sharply. Why? Kärcher recently acquired US-based Castle Rock Industries, including a production facility in Mexico. So more transatlantic flights will now be booked in Winnenden - using cytric, of course.

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