

O₂

Travel arrangers who built their own tool

O₂ first asked its users and then chose an online tool. This German telecommunications company also took a different route when selecting its travel agency: A local travel agency in Munich is now responsible for fulfilment for all German locations.



Change management the other way round: Ingrid von Stamm, travel manager at O₂ Deutschland, did not want to dictate an online booking tool to the company's 4500 employees, which they would then have to like or lump. Surely the other way round would be better. After airline commissions were slashed in 2004, O₂ and its then travel agent decided, a) that the company needed an online booking tool for its business travel and, b) that the future users should themselves say what they wanted from such a tool. Travel management invited all assistants, i.e. all potential travel booking staff, to a workshop. They put their heads together and came up with some criteria about how a travel booking tool should look. "There were many creative suggestions and ideas," is how Ingrid von Stamm sums up these inventive and productive brainstorming sessions. "Our travel arrangers were basically able to build their own tool."

The workshop produced a detailed demand catalogue for O₂'s business travel e-procurement system. It had 36 main sections and many particular requirements, like specifying technologies and content. The tool had to be partner-independent, offer high

stability and map user group hierarchy. It was to display all bookings at a glance, enable detailed reporting and deliver travel and country information. The catalogue also included a "be nice" category. The company, part of the Spanish Telefónica Group, said, e.g., it would "be nice" to have links to taxi and pick-up services.

A tender was drafted based on the catalogue, and six bidders invited to make an offer. Two withdrew virtually immediately, two dropped out later and two reached the final round. O₂ ultimately chose cytric because the other product from a neighbouring country was not adequately aligned to the German market and cytric had been extremely persuasive. According to Ingrid von Stamm, "the i:FAO system matched the demand catalogue, offered the best price/performance ratio and had a long list of convincing references." This was a key point for the travel manager, because if a system has many customers she could expect ongoing improvements triggered by customer demand, which would ultimately also benefit her company. " We were able to assume that the system would be updated on a regular basis."

The decision in favour of cytric was made. A project entitled "Travelling by mouse" provided the structure for system realisation. A tender for travel agents seemed the best way of clarifying the issue. As a result, Lufthansa City Center Giller Reisen in Munich replaced the mobile phone company's previous travel agent service provider. Ingrid von Stamm prefers the cytric method over that of a travel agency for two reasons: the costs are lower and the entire travel volume - offline and online - can be handled by one travel agency. Hand in hand with this, she anticipated enhanced reporting

and simplified control. The neutral cytric technology also meant independence.

The Munich travel agency is now responsible for all five German O₂ locations. O₂'s online booking system has also adopted the "Low Touch" principle. Every booking is quality checked by the travel agent and adjusted if necessary. The new agency has two staff members located within the O₂ organisation to provide local support. The embedded staff are at hand to visit any staff members who might be having problems with the online booking engine (OBE), as cytric is called at O₂.

After discussing the mechanics of the roll-out with all appropriate corporate departments, such as corporate security, IT security and the works council, travel management arranged for around 50 "friendly users" located in the Munich HQ and the Nuremberg regional office to join an O₂ OBE pilot in April 2005. "The pilot project ran very smoothly," reports Ingrid von Stamm, "so that we did the corporate-wide system roll-out soon afterwards." Since 1 October 2006, 2 400 O₂ staff are authorised for OBE access. The individual department managers decide who does the bookings. I.e. either a travel arranger - which is usually the case - or whether the travellers enter travel booking details themselves.

cytric enjoys a usage rate of 57 % at O₂ today. In terms of savings, the transaction costs of an online booking are half. Ingrid von Stamm had originally forecast that overall travel costs would be cut by 10 % within the first year. "In fact we achieved that level within only five months," she is happy to report. The travel manager's major benefit is that a much larger fraction of all travel costs

now runs through just one system than was previously the case at O₂. She can now access robust reporting data, providing a dependable basis for control and procurement. She is "extremely happy" with cytric, the level of acceptance amongst users is very high and the manufacturer, i:FAO, is always available. Ingrid von Stamm: "They actually listen to us."

One example: O2 requested that once an assistant had selected a traveller in the personnel portal that they should immediately be able to commence with the booking without having to enter details again. This was quickly implemented by i:FAO.

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