

Cost Effective Travel Procurement

Graeme Payne
Talking Travel

Cost Effective Travel Procurement

- Sourcing the best value in air and hotel deals – avoiding the hidden charges minefield....

Are we looking for the
cheapest deal or... the best
value for money???

Sourcing the best deals

- Finding the best value for money:
 - online
 - agent
 - preferred suppliers

Consolidated fares

- Are they still worth considering?
- The Travel Management Company has direct access to the best deals



Where are the best fares?

- Preferred carriers?
- Negotiated fares?
- Public fares (online or via TMC)
- Low cost options
- Late or early bookings
- Beware of additional taxes

Creative ticketing

- How and when does it cut costs?
- Should we take advantage?
- Use a TMC, as it requires a professional to avoid changes/cancellation charges and to recognise real savings.

**What's on the horizon for
low cost and traditional
carriers?**

Quality vs cost savings

- Extra charges
- Access to lounges
- Hotel early check in and late check out
- Assistance with business services
- Preferential treatment
- Setting standards for customers
- Do not jeopardise health and safety

LON – VCE booked 04/01/10 for 10/02/10
www.travelsupermarket.com

easyJet - £63.29 – Gatwick – Marco Polo

Ryanair - £56.99 – Stansted - Treviso

Alitalia - £92.00 – LHR-FCO-VCE

BA - £57.10 – Gatwick – Marco Polo

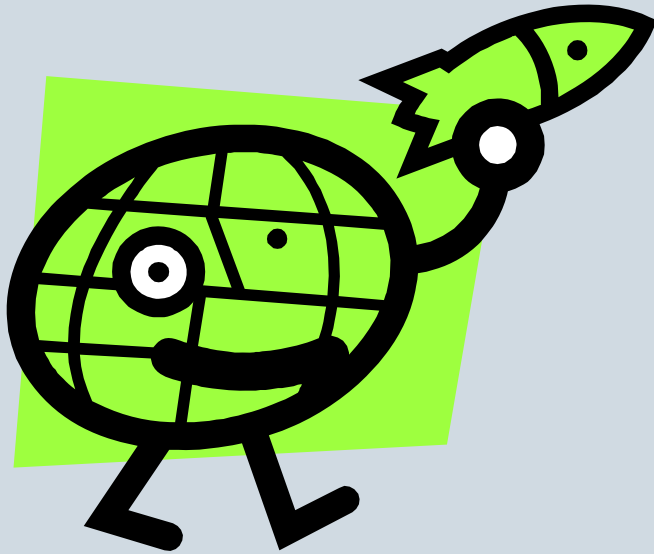
Saving money – quality vs price

- London – Montreal – London, 10-14 Feb
 - British Airways: £389.89
 - Air Canada: £389.89
 - KLM: £361.77 via Amsterdam
 - Continental: £396.00 via New York
 - Northwest: £375.20 via Detroit
 - Air France: £377.87 via Paris

How much is extras??

■ LON – YUL – LON

Continental



Return fare £169.00

Taxes £227.00

Total £396.00

Watch out for:

- Baggage charges
- Online check in charges
- Seat reservations
- Priority boarding fee
- Credit and charge card fees
- Late fees – airport tax and fuel increases
- Changing costs

Ancillary services

- Car hire surcharges
- Insurance
- Ground transportation
- Wifi charges
- Handling fees
- Visa procurement

Hotel booking



Facilities superior to their home



Hotel Selection

- Check location in relation to meeting
- Star ratings are not reliable
- Leisure facilities - requested but rarely used
- Use loyalty card for upgrade and breakfast
- Comfort and noise levels are important
- Check access to public transport
- A hotel is representing your company

Summary

- Only book basic flights online
- Use the TMC for complex itineraries, creative tickets and consolidated fares
- Book as early as possible
- Try to avoid changes to bookings
- Alter meeting times rather than flights
- Check the restrictions on fares and rates

Performance and wellbeing

Do not hinder
health,
motivation and
work quality in
order to save a
few pennies



Business Travel & Meetings 2010



Peter Macey
Facilities and Central
Purchasing Officer



**Strategies for
Negotiating and Buying
Business Travel**

Strategies

- Identify what you want and what you need in your travel operation
- Sourcing suppliers to meet your travel needs
 - Negotiating a win/win agreement
- Assessing the long-term implications and forward planning

My Background

Military Career in the Army
Service all over Europe and
involvement in the
Falkland's Conflict, the first
Gulf War and service in
Northern Ireland



Strategies

- Identify what you want and what you need in your travel operation – **DON'T LOSE SIGHT OF THIS**
- Sourcing suppliers to meet your travel needs
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In the good old days they didn't need to plan too much.....!
Or did they.....?



All you really
needed was:-

An inventor
Materials

A fearless test pilot
A wide open space

Identify what you need

Identify what you want and what you need in your travel operation

Inventor

Materials

Fearless Test Pilot

Wide Open Space

Sourcing suppliers to meet your travel needs

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Sourcing Suppliers

Sourcing suppliers to meet your travel needs

Inventor and Pilot are people

Materials are supplied by others

Land and Air space

Inventor:

A person or people

Materials:

What type?

Suppliers?

Fearless Test Pilot:

A person

Wide Open Space:

Where?

Who can/will supply this?

Cost?

Negotiating – Win/Win

- Negotiating a win/win agreement

Remember:

Two (or more) way process

Both sides should feel they have achieved something

The deal will benefit both parties

Plan:

Plan ahead – know what you want

Prepare your negotiation – know what to say and how to say it

Plan a Contingency - be prepared not to get what you want and consider your options should this happen.

Don't lose sight of the outcome

Long Term Planning

- Assessing the long-term implications and forward planning

What does the future hold?

Decisions you make today?

Plan to achieve what you want

No contracts need to be forever

Shop around for what is best

Review

Back to the Beginning



- Identify what you want and what you need in your travel operation
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Success or Failure?



Questions?

Peter Macey

Facilities and Central Purchasing Officer



Strategies for Negotiating and Buying Business Travel

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