

A Study on the Adoption of Corporate Self-booking Tools

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About the Cranfield University Business Travel Research Centre

The Business Travel Research Centre (BTRC) is located at Cranfield University's Department of Air Transport, the largest air transport management faculty in Europe with a global reputation for excellence in applied research. The BTRC draws together research and learning about the business travel sector.

The objective of the centre is to develop an in-depth understanding of the complexities of the business travel sector and its importance within the air transport industry. By so doing it aims to provide an insight into the business travel market for airlines, corporate travel managers, procurement specialists, travel management companies, and the academic community.

About this paper

This White Paper explores global patterns, trends and drivers in the adoption of corporate Self-booking tools (SBTs) with the aim of helping companies to get the most out of their SBT and thereby reduce travel expenditure.

About ACTE

The Association of Corporate Travel Executives (ACTE) is a not-for-profit professional association established by business travel leaders to provide executive-level education and networking. Since 1988, ACTE's global membership has grown to include members from 49 countries spanning all business travel segments, from corporate buyers to agencies and suppliers.

This study has been developed with the collaboration of the Association of Corporate Travel Executives (ACTE).

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Foreword

There is a phrase often used these days to describe the lives of business people - 'cash rich, but time poor'. Time, within a business context is becoming increasingly precious and the ability to reduce the time being spent on process-driven activities is beneficial for corporations - and for their employees - on a number of levels.

As one of the largest areas of expenditure for many companies, business travel has come under the spotlight when it comes to implementing cost savings. Corporate self-booking tools are one of a number of solutions that many leading organisations have introduced into their businesses over the last several years. As a global leader in the development of corporate travel management solutions, we felt the time was right to step back from the day-to-day and carry out a proper analysis of how self-booking tools are being integrated into the business environment and what companies need to be doing to drive adoption and fully realise the time and cost savings that these solutions can offer. The resulting study has been independently researched by the Business Travel Research Centre at Cranfield University and looks at more than 400 companies worldwide.

What the study confirms is that while self-booking tools are helping many organisations save time and money across a range of areas, many other companies are still missing out on the benefits due to the tools not being properly adopted and used internally. To help overcome the challenges being faced by both in-house corporate travel managers and travel management companies, the report looks at the obstacles and drivers to adoption that many companies face, such as obtaining buy-in from senior management and mandating, training and reporting. The report also uncovers some interesting new facts - for example, despite common opinion, variations in adoption rates do not seem to be driven by company size or by location, but by company organisational structure and internal culture.

We feel that the report makes essential reading for corporate travel managers and our travel management partners as it provides insight into the minds of both the traveller and the travel manager and is a useful benchmark and comparison tool for companies as they look at their own businesses. It also provides clear guidance on how to assess each company's own situation and what simple strategies can be put in place to grow adoption of Self-booking tools.

It is our feeling that given the technology widely available today, all companies should be able to achieve high-levels of online adoption and thereby benefit from significant cost savings. From our side, based upon the findings of this report, we will be continuing to enhance and build upon our current adoption consultancy services. We will also continue to invest and develop our technology offering alongside our travel management company partners to ensure that the companies we work with are fully able to realise the benefits that self-booking solutions offer.

Jérôme Destors

Commercial Director
Amadeus e-Travel

Executive summary

This White Paper was commissioned by Amadeus and was developed with the collaboration of the Association of Corporate Travel Executives.

Corporate Self-booking Tools (SBTs) represent the lowest transactional cost method of making travel arrangements for both corporations and their travel management companies (TMCs), so finding out how companies can increase the proportion of bookings that go through this channel will help save money. A survey of 424 travel managers working for corporations with an average annual spend of \$35m on travel was conducted during September 2006. While 66% of these organisations already have some form of Self-booking Tool (SBT) only 53% of all air travel tickets were purchased online. Amongst those, high-tech, consulting services, and logistics companies achieve the highest levels of adoption with public utilities and agriculture enterprises achieving the lowest levels.

The companies that completed the survey also revealed that using an SBT saves their companies, on average, 25.6% of Travel Management Company (TMC) fees, and a further 9.1% on airline ticket spend. The report highlights some simple strategies that a company can implement to drive higher adoption levels and thereby save money. Key drivers include simply specifying the use of an SBT as an element of the travel policy, educating travellers on the corporate advantages of using the system, and reporting regularly on adoption levels in corporate communications.

Further cluster analysis has revealed that there were three types of company- 'Wholehearted Adopters', 'Bureaucratically Hindered', and 'Laggards'. Membership of the clusters is defined and influenced by the company's strategy towards SBT usage and travel policy. The SBT technical abilities on issues such as access to comprehensive inventories, ease of use, and system speeds have direct impact on adoption, as do corporate policies such as access to preferred carriers.

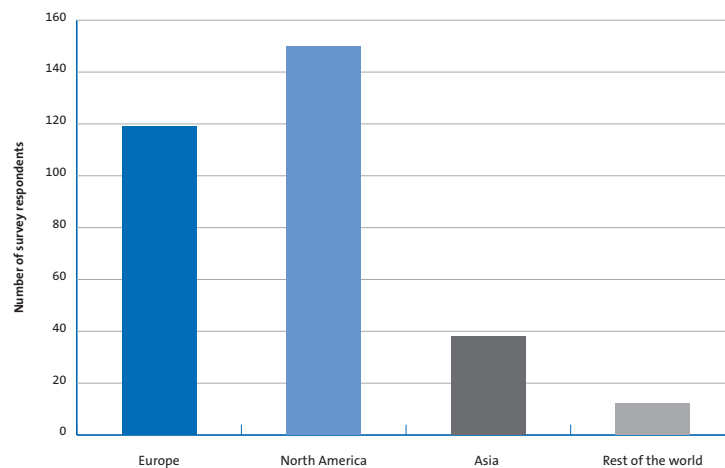
This White Paper therefore aims to help companies identify ways to get the most out of their SBT and thereby help them reduce travel expenditure.

Study background

Cranfield University undertook this study to understand the cost savings achievable by adopting Self-booking tools and the means by which companies can drive adoption.

A world-wide survey of travel managers was conducted during a two-week period from the 5th to the 19th September 2006 when Amadeus and the Association of Corporate Travel Executives (www.acte.org) emailed survey invitations to their respective clients/members. Details of the survey were further highlighted in online business travel newsletters¹. During the two-week survey 424 travel managers responded, accounting in total for \$14.8bn travel spend per annum and, therefore, representing a significant sample of the corporate travel purchasing community. The respondents worked for European (37%), North American (47%) and Asian (12%) companies with a small number of respondents coming from other regions (Figure 1).

Figure 1. Regional distribution of survey participants



¹ www.joesentme.com and www.businesstraveleurope.com

Introduction - about SBTs and adoption

Online booking and corporate Self-booking Tools (SBTs) represent the lowest transactional cost method of purchasing travel for both corporations and their travel management companies (TMCs). The latest generation of booking tools provide functional solutions for corporates' needs in a significantly large number of purchase situations, providing a direct, low-cost booking solution. Driving up the proportion of travellers that book through these systems not only reduces transaction costs for companies, but also enables increased policy compliance (and thereby reduced travel spend) and increased negotiating leverage, while ensuring management data is collected to provide travel managers with increased information for traveller safety/security.

29% of respondents measure adoption as the percentage of 'eligible' travel booked online. While 57% of companies measure adoption as the percentage of total travel booked online.

When looking at the adoption of self-booking tools, companies measure their adoption rate using various metrics. The most popular measure (used by more than half of the sampled companies) is considering online bookings via the SBT as a percentage of all bookings. The other metric was measuring bookings via the SBT as a percentage of 'eligible' travel. Here 'eligible' travel generally includes simple itineraries or point-to-point trips that can easily be booked online. This measure was used by 29% of respondents. 14% of companies do not currently measure adoption, mainly because they are currently at an early stage of SBT implementation. A number of companies used both the percentage of all travel and percentage of 'eligible' travel in their monitoring programmes.



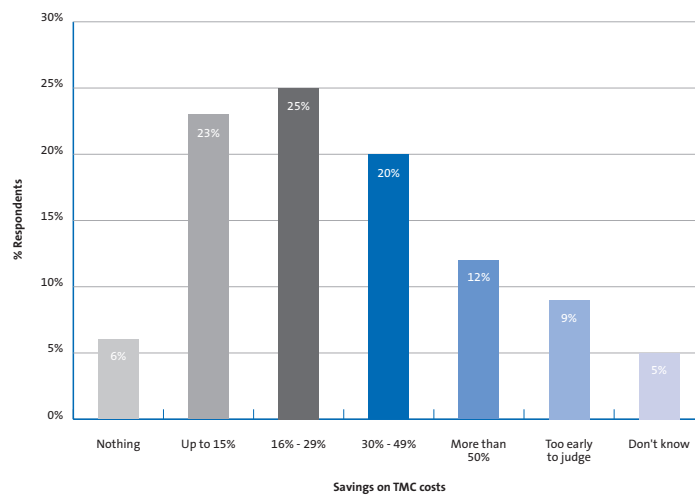
Self-booking Tools save money

Direct Savings: TMC Fees

Using an SBT can save a company 25.6% of TMC fees and 9.1% on average airline ticket costs.

Regarding costs, the survey confirmed that using a booking tool saves a company money. For the 424 companies surveyed, it is estimated that using an SBT to make bookings saves on average 25.6% of Travel Management Company (TMC) fees (Figure 2). This result coincides with the experience of global chemicals company, Huntsman, which achieved a 20% reduction in transaction fees within one year of adopting an integrated self-booking tool².

Figure 2: TMC cost savings achieved by booking online



² Huntsman/Amadeus analysis (2006).

Indirect Savings: Ticket Costs

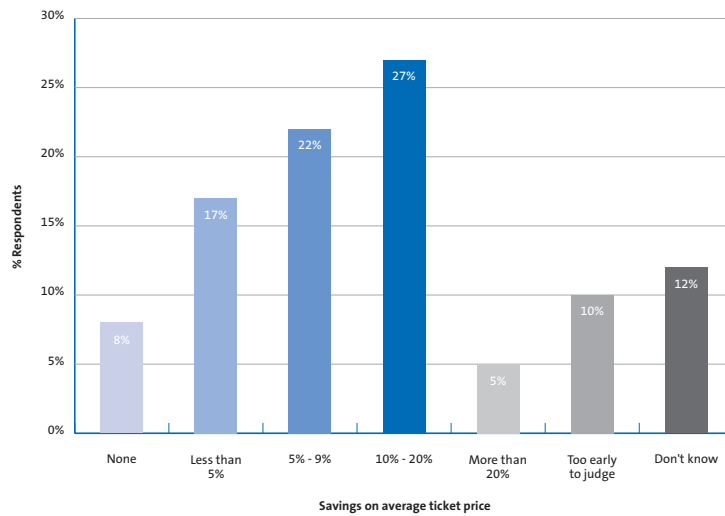
Using a booking tool also saves, on average, 9.1% of air ticket costs³ (Figure 3).

For some companies, the savings that can be achieved are even more dramatic. One car manufacturer, for example, managed to reduce average ticket prices by 25% after adopting such a solution by ensuring better policy compliance and shifting volume to preferred vendors⁴.

‘Visual guilt’ caused by listing a range of booking options on one booking screen from cheapest to most expensive may lead travellers to choose cheaper options.

Another cause of savings may be that travellers take advantage of cheaper fares available when bookings are made well in advance of travel. Huntsman, for example, found that having instant access to lower fares well in advance of travel dates led to a change in traveller booking behaviour. Before implementing the SBT bookings had been made 5 to 7 days in advance of travel but, following implementation of the booking tool, travellers were making travel arrangements between 10 and 15 days in advance thereby taking advantage of lower fares available.

Figure 3: Average ticket price savings achieved using SBT



³ Those companies that did not know or thought it too early in their programme to judge were excluded from the analysis. Those companies indicating more than 20% were assigned values of 22%

⁴ “Right partners are key to automated process”, Business Travel Europe, 25th Oct 2006, www.businesstraveurope.com

What are the typical rates and patterns of SBT usage?

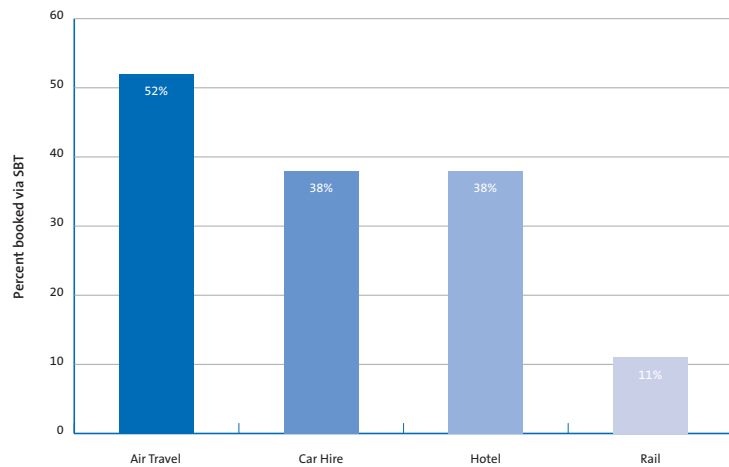
Companies that completed the survey spend, on average, \$35m on travel per annum. 66% already have some form of Self-booking Tool (SBT). A further 25% are either planning to implement or are in the process of implementing a booking tool. The remaining 9% of respondents were working for companies that are not currently planning to implement an SBT. Here are some of the findings:

1. Air tickets are still the most purchased item via SBTs

On average, 53% of all airline tickets are booked via SBTs. This is not influenced by company location.

Figure 4 shows that air tickets are the travel items most purchased through a booking tool with 53% of the respondents' confirming so. At 38%, car hire and hotels have similar levels of bookings while very few rail tickets are bought via SBTs. The main reason for this could be that rail inventories are not as comprehensively listed on GDSs, due to the low level of demand for rail services in North America, and because tickets have traditionally been purchased on the day of travel at the station. Indeed train booking capabilities are only included in about 25% of SBTs.

Figure 4: Proportion of bookings made via company SBT



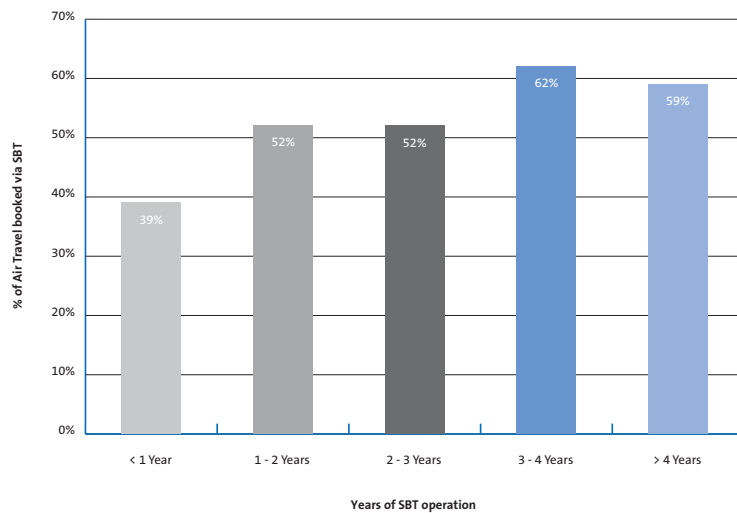
2. Adoption levels in relation to the length of time the tool has been implemented

There seem to be two waves of companies implementing booking tools (see [Figure 5](#)). Of the companies that have an SBT, 40% have had it less than two years, and 23% have had one for five years or more. This would suggest that some companies have had much greater experience in using their booking tool and therefore such companies would be expected to have a much higher level of adoption.

Adoption rates tend to be fastest in the first year and then the rate decreases.

SBT adoption levels for air travel, surprisingly, did not correlate well with the length of time using the system (Spearman's correlation coefficient of proportion of air travel booked on SBT and number of months a company has employed a booking tool was 0.18). When looking at years of operation, there is a slightly clearer picture. The highest level of adoption progress was seen in the first year but the rate of adoption then falls back year-on-year as each progressive level of adoption becomes harder to achieve. In the first year companies can expect to achieve about 40% of bookings via the SBT, in the following two years companies may add another 10% and a further 10% after three years. This is the typical growth pattern - additional specific actions can help improve the adoption rate further (see 'Key Drivers' and 'Recommendations' for more information).

Figure 5: Years of SBT operation and % booked via SBT



3. Level of satisfaction is directly related with adoption levels

Statistically there is no significant difference in average online adoption rates between different geographical regions.

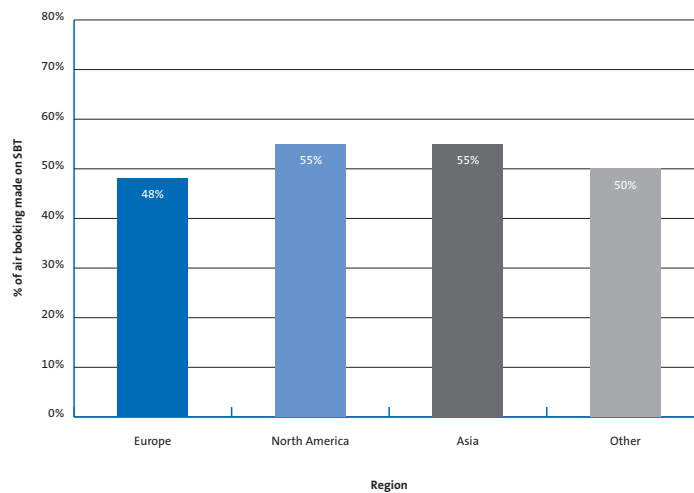
On the whole, companies seem generally satisfied with their adoption levels to date with 22% of companies saying that they were very satisfied and a further 43% indicating that they were reasonably satisfied. Only 11% of respondents said that they were very disappointed with the adoption level achieved in their company.

There is minimum variation across regions.

There is often an assumption that North American companies are significantly ahead of companies elsewhere regarding adoption of self-booking tools. While North American companies in this survey have the highest overall average adoption rate at 55% (Figure 6), the other regions have very similar adoption profiles and statistically there is no significant difference in the average between the regions or in the satisfaction levels⁵.

While companies are generally content with current adoption levels increasing them will reduce costs even further.

Figure 6: Percent of air bookings made on SBT by Region

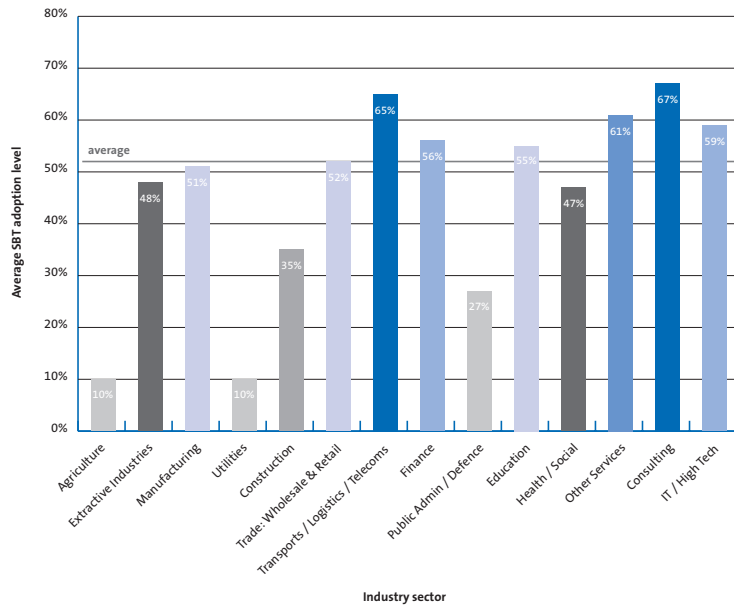


⁵ F = 0.644, Significance = 0.587.

4. There are slight variations depending on the industry segment

The type of industry in which a company operates was considered as possibly influencing adoption levels. Companies in some industries seem less successful than others at driving SBT adoption. High tech companies, consulting services, and logistics companies achieve the highest levels of adoption, with public utilities and agricultural companies achieving the lowest levels (Figure 7).

Figure 7: Industry influence over SBT adoption



High tech companies, consulting services, and logistics companies achieved the highest levels of adoption.

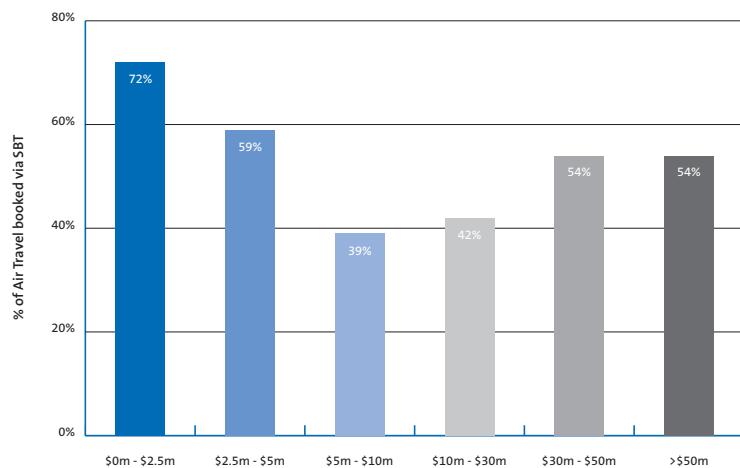


5. Company size or travel spend is not directly related to adoption levels

In **Figure 8** we see that companies that have the smallest travel spend have been most successful at driving up booking via SBTs reaching an average adoption level of 72%. This is perhaps because once a smaller company has implemented an SBT, the lines of communication between the travel manager and the travellers are that much shorter, and therefore the advantages of using the booking tool are easier to communicate. Additionally, the pool of travellers is that much smaller meaning that word-of-mouth communication about the system is likely to be quicker.

Although smaller companies achieve the highest adoption level, the largest single group in the sample were companies with an annual travel spend of over \$50m. This group's adoption level is about 53% which means that methods to drive up adoption are therefore still needed.

Figure 8: Percent of air travel booked via SBT by total company travel spend



Seven key drivers to adoption

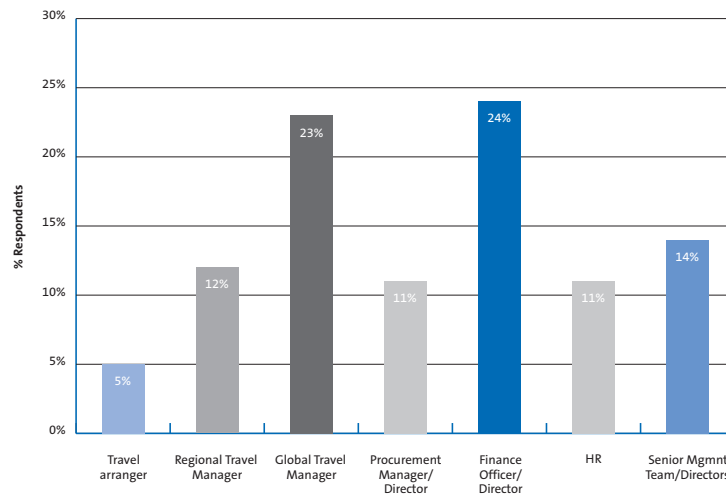
Communicating clear policy guidance to company Directors and the HR department will improve SBT adoption.

The decision/booking process is influenced by a number of stakeholders that may be resistant to online booking systems or incapable of breaking through barriers to adoption. Such barriers would include:

- > Organisational and social issues
- > Travel policy and compliance
- > Lack of senior managerial buy-in
- > A distrust of the capabilities of technology

Figure 9 shows that nearly 50% of the companies completing the survey indicated that either a team of Senior Managers/Directors, the HR department, or the Finance Director set travel policy in their companies. The travel manager has a key role to communicate with these policy makers to ensure that decisions about travel policy and travel management strategy are well informed. As we shall see the travel policy adopted and the way in which it is enforced have significant impact on adoption levels.

Figure 9: Person/Group setting travel policy



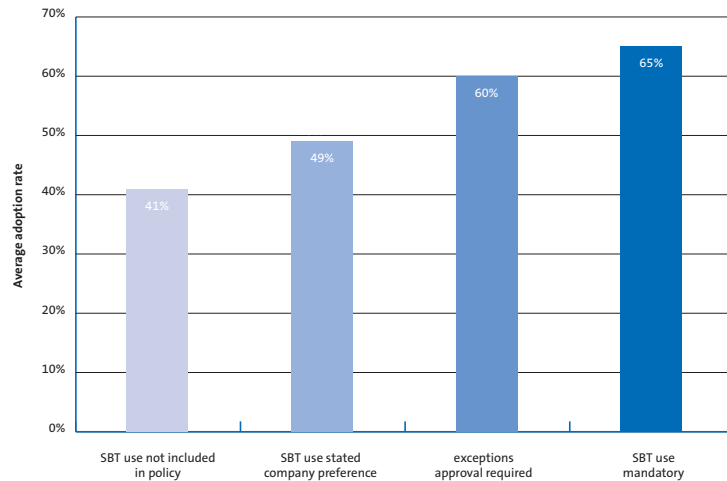
Taking the above barriers into consideration, let's examine some of the main drivers to adoption:

1. The effectiveness of mandating

Simply making a booking tool mandatory in the travel policy can bring a significant increase in adoption levels.

Not surprisingly, the simplest way of driving SBT adoption levels up is by making the company’s travel policy stricter. For companies that do not include use of the booking tool in their travel policy the average adoption rate is only 41%, whereas for companies where use is mandatory the adoption rate goes up to 65% (Figure 10).

Figure 10: Travel Policy influence on SBT adoption

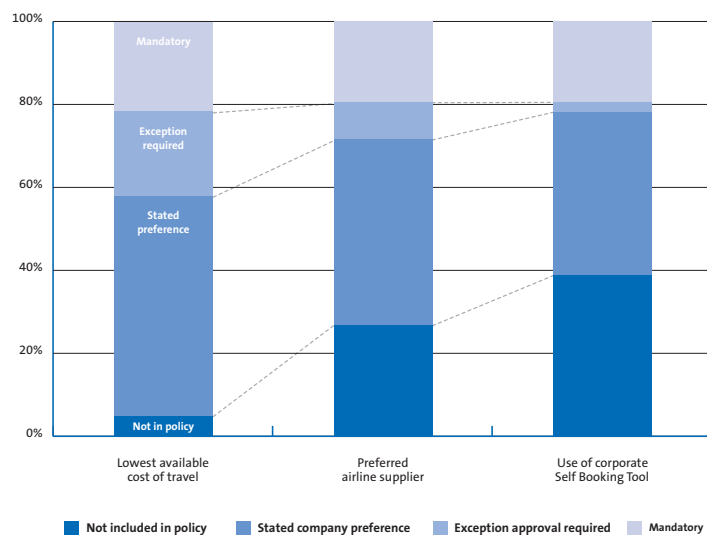


Given the savings that can be achieved it is remarkable that 38% of companies do not have a travel policy recommendation about employee use of the tool.



The rigidity of travel policies tend to vary by item. For example over 90% of companies have a policy directing employees to the 'lowest cost of travel' while only just over 50% direct their travellers to use a standard booking form (Figure 11). With respect to booking tools, 38% of companies do not include its use in their travel policy and, as we have seen, this has a concomitant effect on their adoption rate. **Therefore making the use of SBTs more rigid and explicit in the travel policy can lead to significant increases in adoption levels.** Given the savings that can be achieved by using SBTs, it is remarkable that 38% of companies do not have a travel policy recommendation about employee use of the tool.

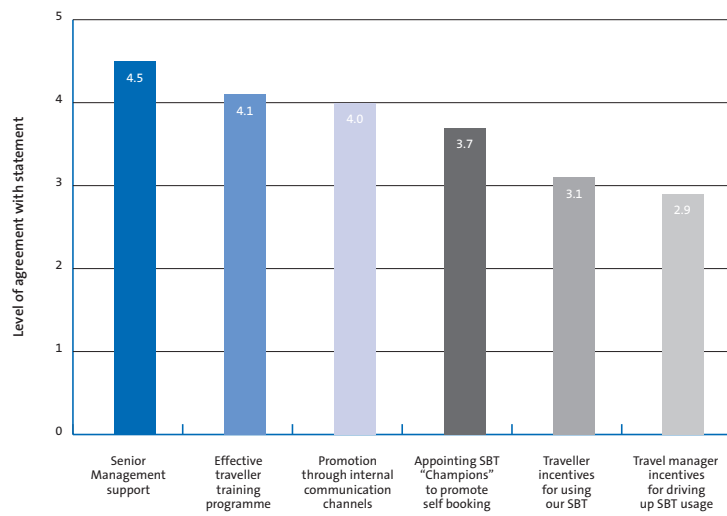
Figure 11: Travel Policies



2. Managerial buy-in and preaching by example - more effective than direct user incentives

When looking at methods of increasing adoption, the respondents thought that effective traveller training, supported by senior management buy-in and promotion of the value of SBT usage through internal company communications were the most effective means (see Figure 12). The support of senior management was considered the most important method of increasing adoption followed by effective training. In many companies senior management support may translate as a management mandate re: SBT usage (see point 1).

Figure 12: Methods of increasing SBT adoption



Only 15% of companies offer some sort of incentive to travellers to increase their use of the company SBT and this was not considered by most companies as being a particularly effective driver for adoption.

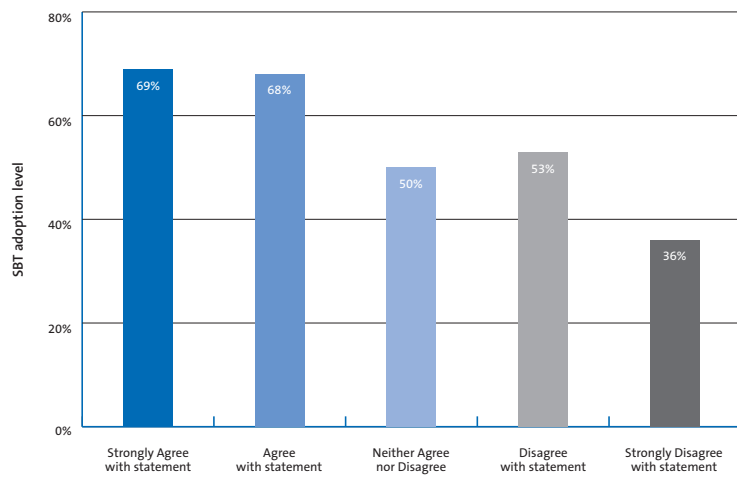


Travel managers think the support of senior management is the most important method of increasing SBT adoption.

Preaching by example:

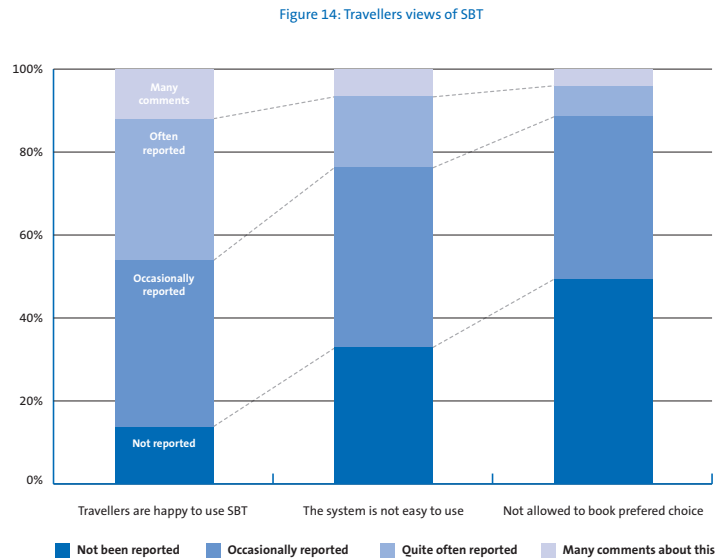
The level that senior managers and directors use a company SBT has a significant pull effect on adoption rates, with the highest adoption rates achieved in companies where senior managers and directors most use the SBT themselves. In companies where travel managers said that most of their senior managers use the system, adoption rates were nearly 70%, whereas in companies where the senior managers did not use the system the adoption rate was just 36%. *Clear leadership by example from senior management would therefore seem to have a demonstrable impact on the adoption level (Figure 13).*

Figure 13: Senior Management use of SBT



3. Content choice and SBT performance are key

The travel managers in the survey were asked what comments had been reported to them by the travellers that use self-booking tools. Figure 14 shows that travellers, in the main, seem happy to use a booking tool.



The results also suggest that travellers can, in the main, book with the airline of their choice, as nearly 90% of traveller managers said they never or only occasionally hear complaints from their travellers that cannot book their preferred choice of flights.

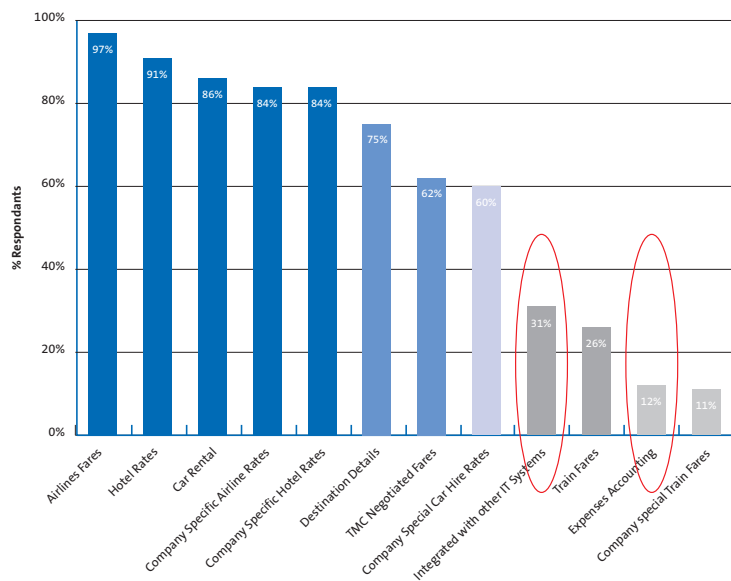
With only just over 60% of booking tools incorporating TMC negotiated rates there would seem to be a case for a greater inclusion of such rates. TMC special rates may offer spot rate discounts over corporate rates and may provide TMCs with an opportunity to provide demonstrable value to their clients by gaining access to otherwise unavailable fares.

Looking at the functionality of booking tools, nearly 30% of respondents indicated that travellers regularly reported that their system was slow, not easy to use, and thought that cheaper fares were available via internet travel agents or direct from airlines and hotel websites. These technical and perception issues may impact the levels of adoption achievable by the company. Therefore the choice of SBT and its implementation is imperative in achieving high adoption rates. **Ensuring the SBT includes fare content from a variety of sources (GDS, low cost carrier sites etc.) will give travellers confidence that the best fares are available on the SBT.**

4. Systems integration has a direct impact on adoption levels

Almost 70% of SBTs seem to be operated independently of companies' other IT systems and are not integrated with expense accounting systems which would be a logical extension of system functionality (see **Figure 15**). Extending the booking tool to integrate with other IT systems such as HR systems or accounting systems provides a means for travellers to more easily reconcile personal expenses and allocate travel costs with the associated contract accounts. ***In this case the advantage to the traveller in reduced post-trip administration would provide a key incentive to make greater use of the booking tool.***

Figure 15: Items included in SBTs

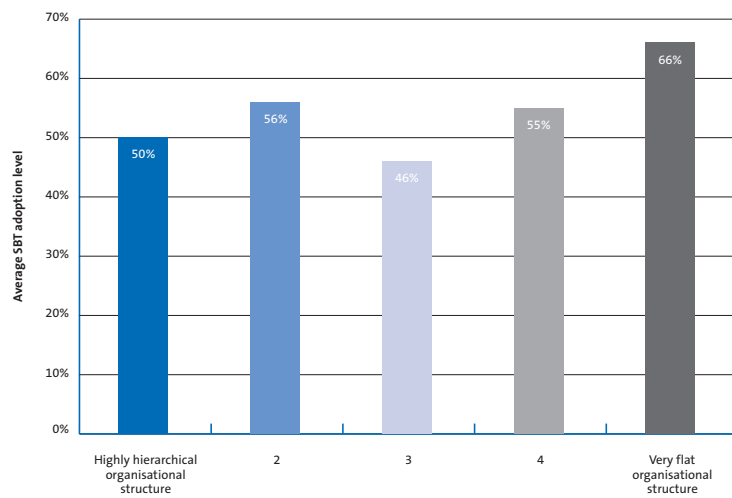


Integrating SBTs with other IT systems will provide an incentive to travellers to use the system as accounting and expense reconciliation will be easier.

5. The flatter the organisational structure the higher the adoption levels

The survey attempted to assess the effect of the organisational style and structure on SBT adoption levels. First hierarchical structure was assessed. Companies that have flatter company structures seem to achieve higher levels of adoption over those companies that are very hierarchical, as suggested by [Figure 16](#), with those companies with a very flat organisational structure achieving a 16% higher average adoption rate than those with very hierarchical structures.

Figure 16: Impact of company structure on SBT adoption



Companies with flatter hierarchical corporate structures seem to be able to achieve higher SBT adoption levels

This variation is probably due to different working practices in these types of companies. The shorter lines of communication and higher reliance on informal communication networks in flatter organisations means that new ways of undertaking tasks (such as using a booking tool) tend to be adopted more quickly, whereas the higher reliance on more formal lines of communication in more hierarchical organisations hinders the speed at which new business practices are adopted.

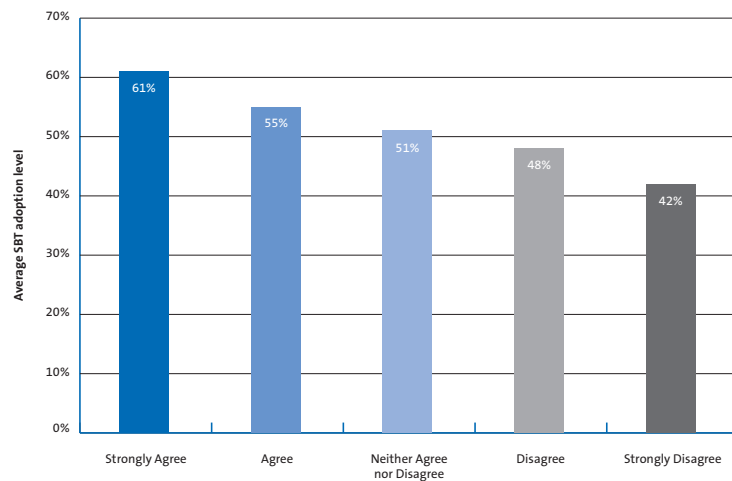
6. Self-service culture and age, key to driving adoption.

The survey also found that companies that have moved towards having an internet based 'self-service' culture, where employees manage contracts etc. online, have been more successful driving up the adoption rate. When age was considered, younger travellers are more ready to adopt technology-based processes, as their take-up rate of SBTs is higher than that of older colleagues.

7. Clear and continued internal communication

Reporting SBT roll out progress in internal communications aids adoption levels (see [Figure 17](#)). Companies that gave regular updates on the roll out of their booking tool achieved a much higher adoption level than companies that did not support the introduction of the system with strong internal communication.

Figure 17: Impact of internal communications on SBT adoption



Three corporate groups identified

Based on company behaviour & culture

Three types of company:

1. 'Wholehearted Adopters'
2. 'Bureaucratically Hindered' and
3. 'Laggard'

Which type is your company?

Wholehearted Adopters achieve 81% average SBT adoption levels on air travel.

Laggards achieve only 12%

To drill down further into the profile of those companies that have been successful at achieving high levels of SBT adoption and the profile of companies less so, a multi-variate statistical technique called cluster analysis was undertaken.

A K-Cluster analysis was performed on those 177 companies in the sample that completed, in full, the section of the survey about travel policy. This iterative clustering technique was used to group company respondents with similar travel policies together. The statistical requirements of the cluster analysis approach meant only those companies that had fully completed this part of the survey could be examined further⁶.

Three stable groups or clusters were identified:

- > 1. 'Wholehearted Adopters' with an average adoption rate of 81%
- > 2. 'Bureaucratically Hindered' with an average adoption rate of 45%
- > 3. 'Laggards' with an average adoption rate of 12.3%

Further examination of the profiles of the three clusters showed, somewhat surprisingly, that the differences between the clusters are not statistically dependent on geographic location⁷, corporate size, travel spend or number of trips.

Table 1 shows the profiles of the three clusters. Firms are more likely to be allocated to the high-achieving Wholehearted Adopters if they have adopted a more positive stance towards SBT usage. The main difference in the profile of companies in the Bureaucratically Hindered cluster and the Wholehearted Adopter companies is their adoption rates. This can be attributed to more bureaucratic work practices, travel policies that have fewer mandatory rules and a higher proportion of companies that work in large manufacturing industries, where perhaps legacy systems and processes may hinder quicker adoption of SBT systems.

⁶ The pre-requisite of a full data set meant that 177 companies of the 424 were used in this part of the survey and are likely to be slightly biased towards companies already using SBTs. Indeed the difference in average SBT adoption rates between those companies in the cluster analysis (61.5%) was significantly greater (at the 10% level) than those companies excluded from the analysis (which had an average of 51.1%).

⁷ While there is no significant difference in the data we have presented the results of the geographic spread of cluster membership in Table 1

Table 1: Profile of Three Company Types regarding SBT usage

	Wholehearted Adopters	Bureaucratically Hindered	Laggards
Proportion of sample	39.0%	36.7%	24.3%
Europe	30.2%	32.7%	34.0%
North America	61.9%	50.0%	50.0%
Asia	7.9%	15.4%	7.9%
SBT adoption level on air travel	81.2%	44.9%	12.3%
SBT adoption level on hotel bookings	57.7%	37.1%	11.0%
SBT adoption level on car hire	62.9%	31.0%	10.8%
Length of SBT implementation (months)	42	38	30
% Increase in adoption per month	3.32%	2.44%	0.82%

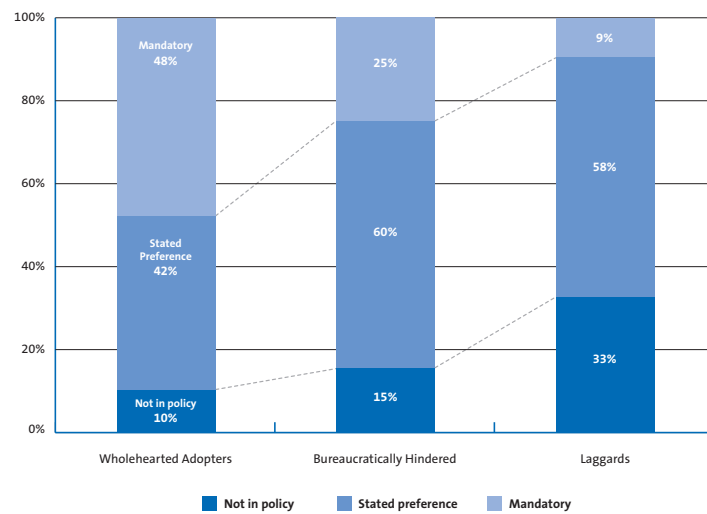
Satisfaction with SBT adoption level			
Very Satisfied	50.0%	9.2%	0.0%
Reasonably Satisfied	48.5%	56.9%	18.6%
Rather Disappointed	1.5%	24.6%	48.8%
Very Unhappy	0.0%	1.5%	11.6%

One obvious difference in cluster profiles is that the companies in the Wholehearted Adopter group have, on average, had their booking tool longer than the other groups. The delay in adopting SBTs may in some way explain the Laggards significantly lower adoption rates. The Wholehearted Adopter group, however, achieves a significantly higher percentage increase in adoption per month than either of the other clusters suggesting that it is not just greater experience driving their higher adoption rate, but differences in organisational culture and company processes.

With such high levels of adoption it is not surprising that companies in the Wholehearted Adopter group show much higher levels of satisfaction with their adoption level.

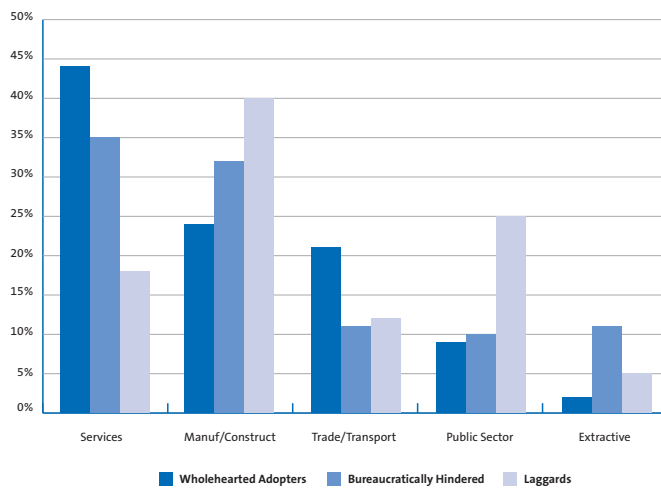
Membership of the clusters is clearly defined and influenced by the company’s strategy towards including SBT usage in the travel policy. **Figure 18** shows that by mandating the use of the SBT, Wholehearted Adopter companies are much more likely to drive up adoption. The low adoption level of the Laggard group may be explained by the fact that more than 30% of the companies in this group have not included SBT usage in their travel policy.

Figure 18: Travel Policy guidance on use of SBT by cluster



When we look at the industrial breakdown of the three clusters it is clear that the Wholehearted Adopter group is dominated by service industries (43%) with a further 22% of its members being in trade or transportation services. The Bureaucratically Hindered group, similarly, has a number of service and manufacturing companies making up its membership. However, it has a higher proportion of manufacturing companies (32%) than the Wholehearted Adopters group (24%). Manufacturing companies with a large proportion of public sector companies, by comparison, dominate the Laggard group, with these two types of company representing 65% of the cluster membership (see [Figure 19](#)).

Figure 19: Cluster profile by industry



Self-booking tool usage by clusters

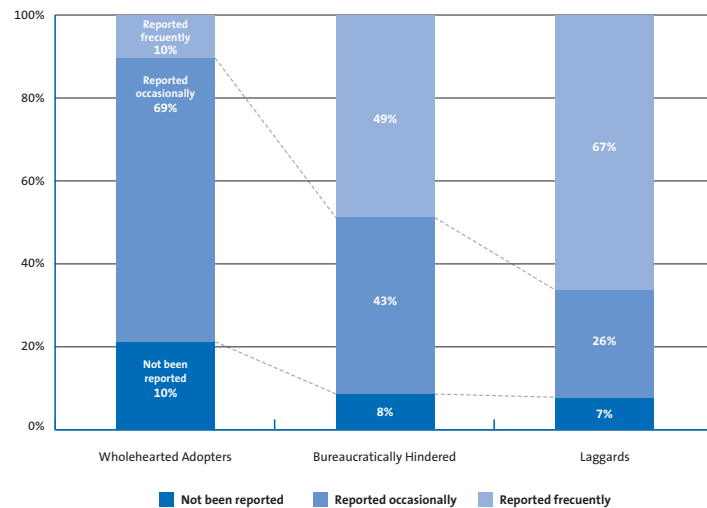
Two thirds of travel managers working for Laggard companies said that travellers often report that their booking tool is slow.

Looking at the traveller feedback to travel managers of companies in the three clusters reveals some detailed areas for examination that can help companies drive up their adoption rates.

Speed of use vs. Ease of use

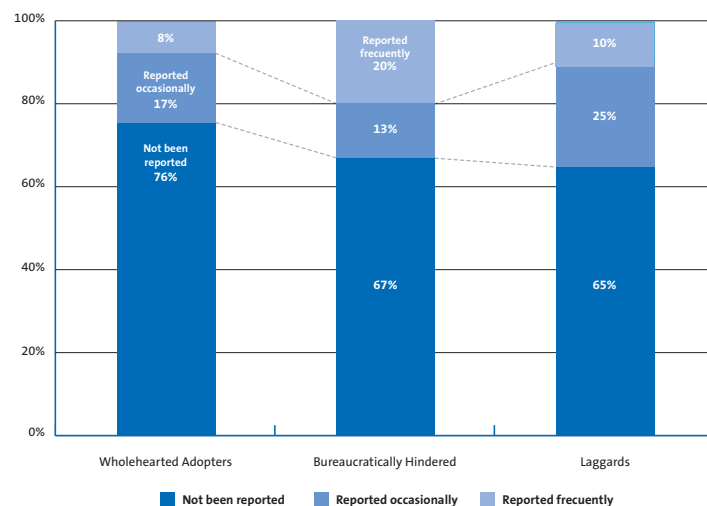
Only 10% of travel managers working for companies in the Wholehearted Adopters group noted that travellers frequently report that their SBT is slow, whereas over 65% of travel managers in the Laggards group said travellers frequently reported the system was slow (see Figure 20). It would seem with the technology available today this should not be an issue for any company. We considered the potential that the systems being used by Laggard companies are perceived as being slow because travellers have not had sufficient training.

Figure 20: Impact of slow SBT system on complaints by cluster



However, when asked whether their travellers had reported that their SBT was difficult to use most travel managers said that this was not the case, and only 10% of travel managers in the Laggard group said that travellers had frequently reported the system to be slow (see Figure 21). **Therefore we must conclude that some systems being used by Laggard companies need to re-evaluated for their technical speed.**

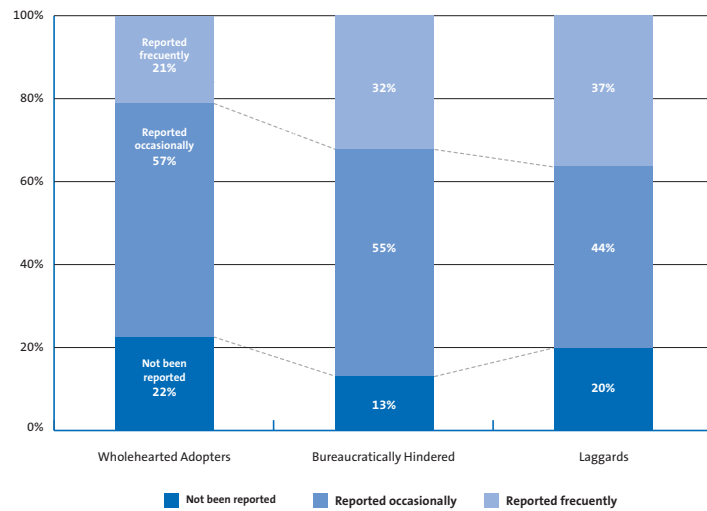
Figure 21: Impact of hard-to-use SBT systems on complaints by cluster



Preferred Carriers

Figure 22 shows that not being allowed to book a preferred carrier may drive away SBT adoption. Again travellers working for Wholehearted Adopter companies were least likely to complain of this issue, whereas 37% of the travel managers in the Laggards group said that this issue was frequently reported to them. Where travel choice is curtailed due to route, volume, or other special deals travellers need to be educated as to the benefits of such supplier agreements to the company to reduce dissatisfaction levels.

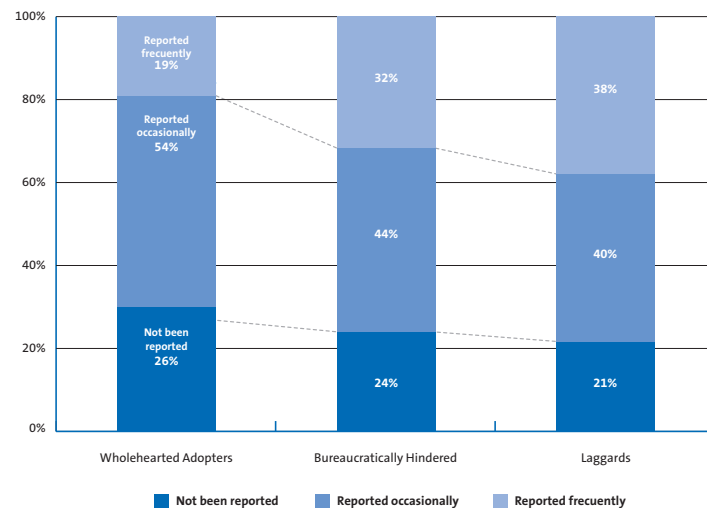
Figure 22: Impact of travellers not able to book preferred airline on SBT on complaints



When asked if travellers reported that they had cheaper fares through internet travel agents or directly from low cost carriers, Laggard company travel managers received the most complaints. Where an SBT consolidates internet fares (e.g. from Low cost carrier sites) and offers them alongside fares from GDSs, travel managers should highlight these multi-source shopping capabilities to reassure travellers that via their SBT they are getting the best deals available at a given time (see Figure 23).

Figure 23: Cheaper fares reported available on internet by cluster

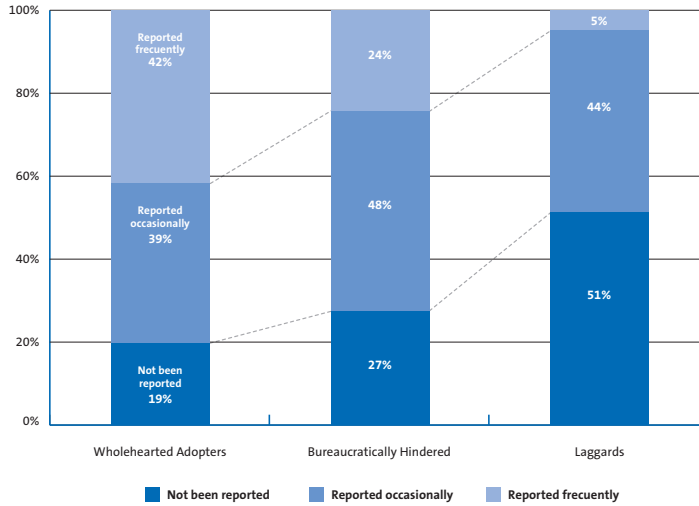
Travellers working for Wholehearted Adopter companies reported less problems with using their booking tools such as being prevented from booking preferred airlines, or finding cheaper fares elsewhere online.



Finally the travellers of Wholehearted Adopter companies were most likely to report that their travel costs had been reduced by having comprehensive inventories available to them on the SBT (see Figure 24).

Figure 24: Impact of comprehensive SBT inventory to book cheaper fares

81% of travel managers working for Wholehearted Adopter companies said that their travellers book cheaper tickets via the SBT.



Conclusion

Driving higher levels of adoption via an SBT can offer companies real cost savings in terms of reduced TMC fees and lower travel costs. This report has identified some simple strategies that a company can adopt to drive higher SBT adoption levels and thereby save money. The research also highlights that most travellers seem to be generally happy using such systems but where systems are slow, difficult to use or lacking access to the relevant fares and content then high adoption levels will be that much harder to achieve. Therefore successful SBT adoption is a result of good systems, processes and education.

Adoption varies according to company type.

The cluster analysis revealed marked differences in the adoption levels achieved by companies. The Wholehearted Adopter group tend not only to mandate the use of the SBT in their travel policy, but its use is strongly supported by Senior Management buy-in and a programme of continued internal communication. Companies in this group are able to achieve adoption rates over 80%. This result is contrasted by the Laggard group who have adoption levels of less than 20%. The missed opportunity to reduce both TMC fees and travel fares will place these companies in a poorer cost position.

Strategy recommendations for cluster types

Reviewing the key drivers

Issue/policy area	Wholehearted Adopters	Bureaucratically Hindered	Laggards
Mandating	Continue with mandating policy - it is effective	Consider mandating use of self-booking tool in travel policy combined with targeted training to those travellers that are currently non-users	Re-evaluate the system adopted and ensure any technical issues are overcome. Once this is complete, consider mandating SBT use
Speed of use	No action required	Undertake system performance evaluations	Undertake system performance evaluations
Inclusion of preferred carriers and travellers going directly to supplier websites	Traveller focus groups to discuss the impact of limiting airline choice on highest users	Educate about travel policy	Educate about travel policy
Integration of SBT with other systems and workflows	Investigate potential of integrating with expense and accounting systems	Investigate potential of integrating with expense and accounting systems	Concentrate on ensuring SBT is fully functional before progressing to next stage

> 1. Make SBT usage mandatory in the travel policy.

The results of the survey and particularly the cluster analysis suggest that SBT adoption rate is related to how rigidly the use of the booking tool is defined in the Travel Policy. Making this small simple change to the travel policy may result in a significant cost saving for many companies.

> 2. System functionality and content are key.

If travellers find an SBT slow, difficult to use or if they believe they can find better fares elsewhere on the internet they are less likely to use it. Integration of the SBT with related corporate or employee IT systems (e.g. expense management) results in reduced overall pre - and post trip administration tasks and would therefore incentivise travellers to make greater use of the tool.

> The K-cluster analysis revealed that making sure the travellers' preferred airlines are provided on the SBT as a choice will aid adoption. If, however, a company's travel policy can not accommodate such preferences then employees should be educated in this regard - otherwise the SBT will be seen by employees as less performant than alternative booking channels and adoption will be negatively impacted.

> 3. Leadership, Training, Support, and Report.

Travellers will use the system if they see their managers using it so senior management buy-in is important. Also, senior management endorsement of the SBT in internal company communications are an important first step in driving up adoption. Providing effective traveller training to users should ensure that all potential users know the whys and wherefores. Setting adoption targets and regular performance reporting in internal communication channels will keep the adoption programme in travellers' minds.

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