

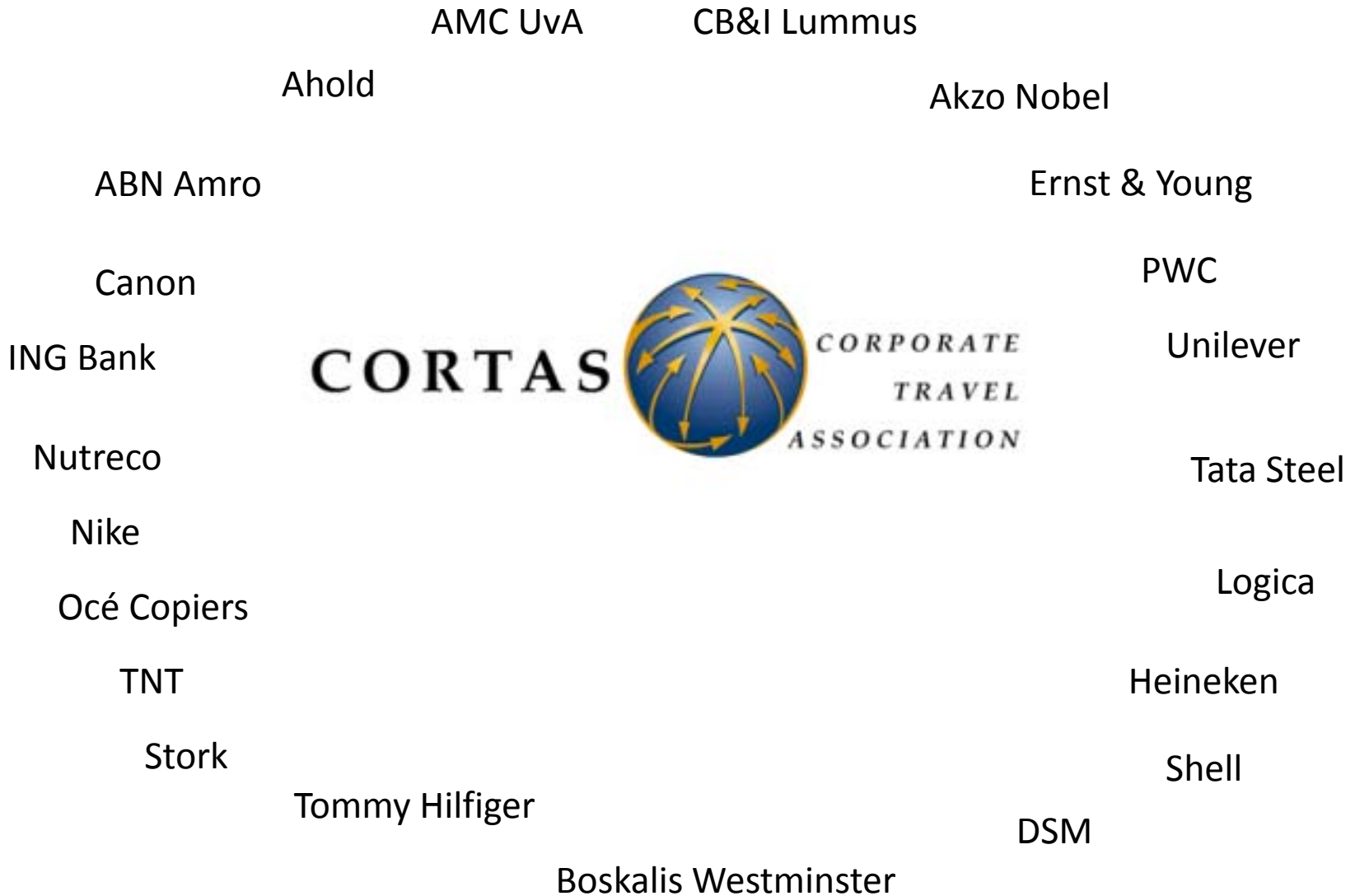
Strategic Travel Management and Generation Y

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Agenda

- Introduction CORTAS
- Corporate Travel management
- Trends in CTM
- CORTAS survey
- NHTV student survey
- CTM and Videoconferencing
 - Plusses
 - Minuses
 - Future



Combined air spend (ex Netherlands) = ± € 220 mln

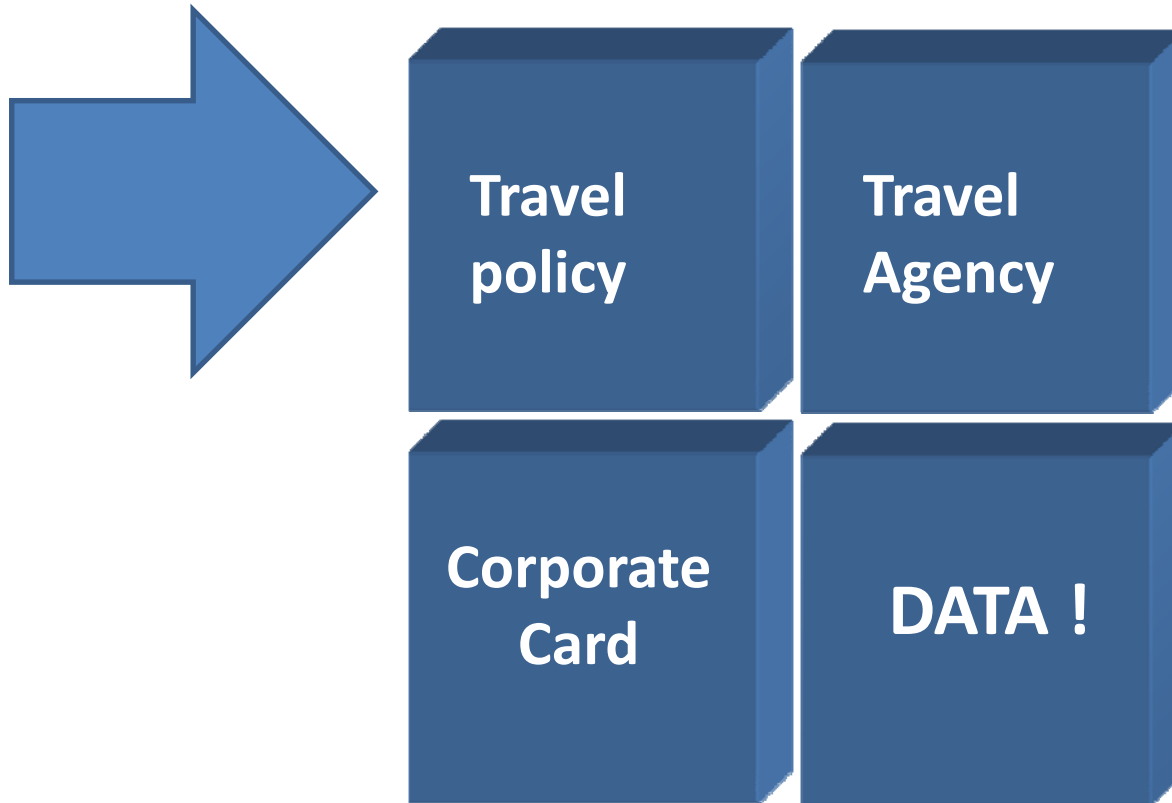


Objectives:

1. Support members in strategic management of their respective company's business travel programmes:
2. Develop members' expertise in the general organisation of business travel;
3. Represent the common interests vis-à-vis all parties in the business travel market (suppliers, intermediaries, government authorities);
4. Manage business travel projects to the benefit of all members (air spend benchmark).

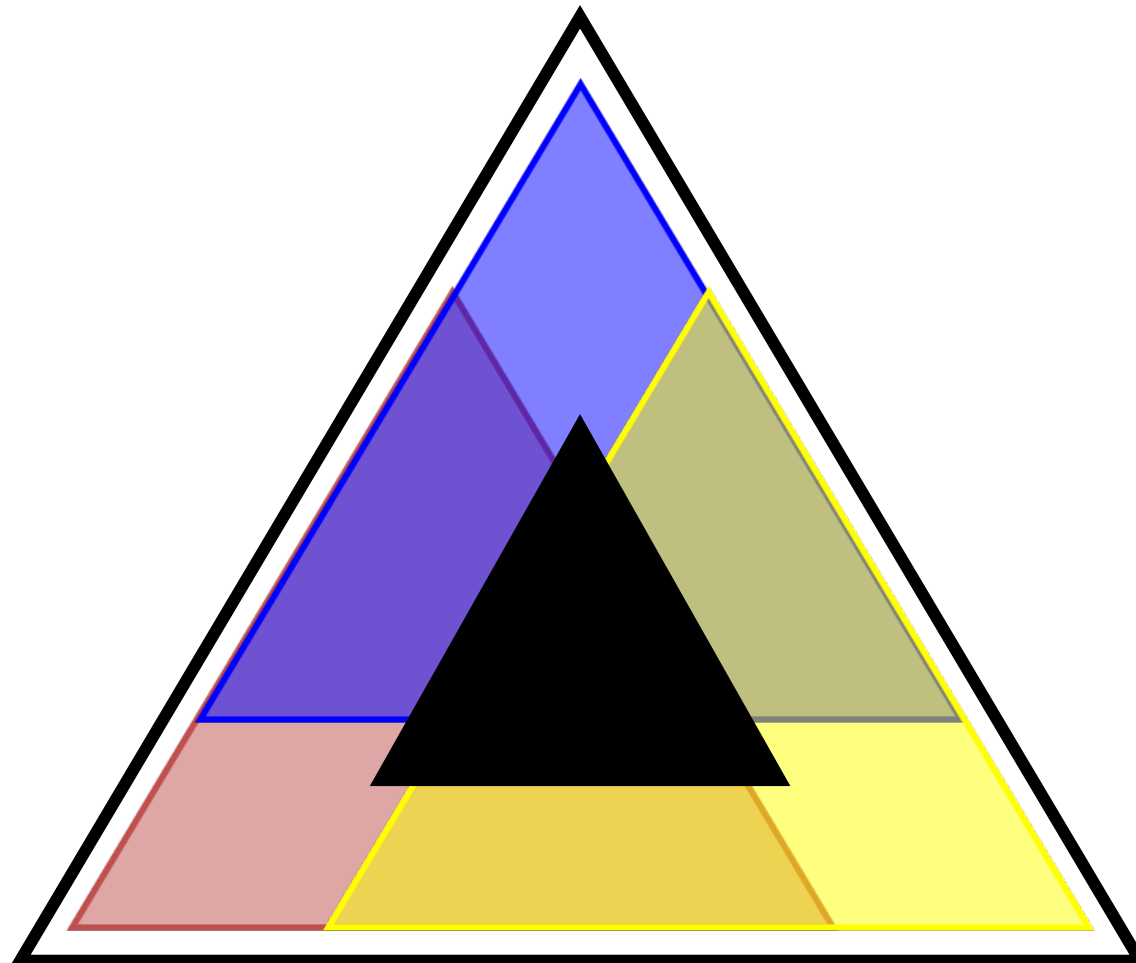
Corporate Travel Management

Building blocks



Corporate Travel Management

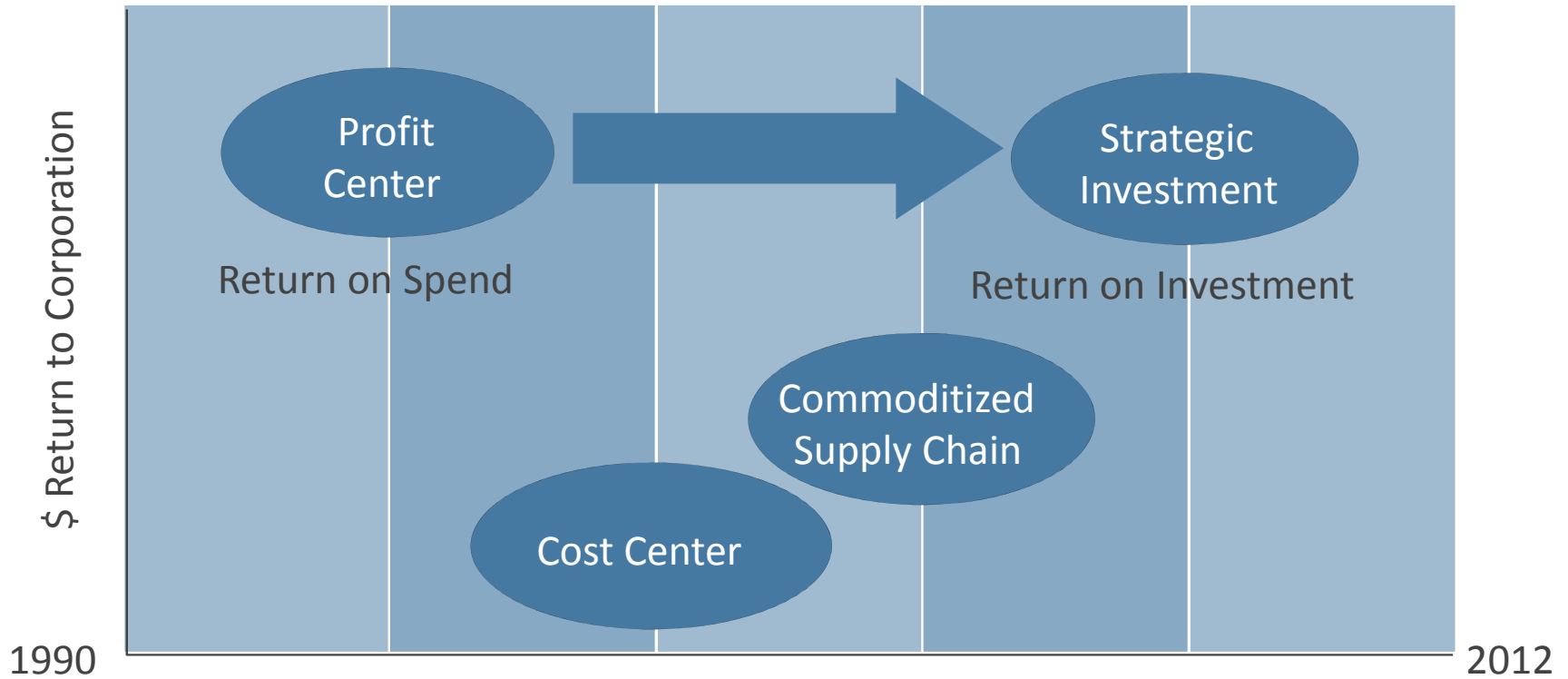
Finance & Accounting



**Purchasing /
procurement**

**Human
resources**

Corporate Travel Management



Corporate Travel Management

Strategic Travel Management = Relationship management

- Business Travel is only ONE OF THE TOOLS for managing relationships with the essential constituencies within and outside the company.
- The real question is not how much the company saves on its travel, but rather how much benefit it receives in return !
- By focussing on relationship management, travel management shifts from controlling costs to enhancing value.
- Main Question:
 - When does travel result in the highest return for the company ?
 - When can the company better use technology ?

Trends in Corporate travel Management

Relevant to Videoconferencing

- Travel policy: (back of the bus)
- Globalisation
- Channel fragmentation / OBT's
- Duty of Care

CORTAS survey

Usage of Videoconferencing Systems

Statistics

- 92% use videoconferencing systems
- 83% use Tandberg (Cisco)

- Max # of countries covered: 63
- Average # of countries: 26
- Total # of locations (all members): 1143 (avg. 54)
- Max locations (1 member): 232

- Impact on travel volume: between – 5% / - 17%

CORTAS survey

Usage of Videoconferencing Systems

Top 5 by purpose

1. Finance review meetings
2. Executive Board meetings
3. Technical support
4. International projects
5. Joint design activities

CORTAS survey

Usage of Videoconferencing Systems

External Relations

- Top CORTAS member: 12%
- Average CORTAS: 4%
- # members not using for external: 17

NHTV survey

Usage of Videoconferencing Systems

Total 94 students (generation Y)

- Substitute for travel: 46%
- External vs. internal relations: 27%

Overall trend indication:

- primary use of personal VC-facilities (Skype)

Corporate Travel Management & Videoconferencing

+ for Videoconferencing:

- Technological developments (a/o TelePresence)
- Cost cutting measures (economic crisis)
- Travel policy adjustments
- CSR (focus on environmental issues = Co² emissions)
- Internal shift from Procurement to Finance (ROI instead of savings)
- Work-life balance: generation Y

Corporate Travel Management & Videoconferencing

- for Videoconferencing:

- Only for internal meetings (predominantly review meetings)
- Face to face with suppliers / customers still seen as essential
- Cultural aspect (especially ASPAC)
- Wrong ownership within corporation (often ICT or General Affairs)
- Booking procedures (internally: complex + all require same timings)
- fear **of** competitor having face-to-face meetings with customer
- Airline loyalty programmes

Corporate Travel Management & Videoconferencing

Future:

- Value management (ROI) approach will prove to be catalyst for VC
- Generation Y (social media)
- Third-parties are investing in Videoconferencing systems
- High-speed / HD picture quality / 3D
- Interoperability between systems will increase / usage will increase
- BUT also:
 - More global economy
 - more relationships with external parties
 - more people travelling
 - will never be substitute for travel

Thank you

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