

4D TRAVEL DIAGNOSTIC

UNIVERSITY OF ADELAIDE DEVELOPS MARKET LEADING TRAVEL PROGRAM



BACKGROUND

In 2014, the University of Adelaide (UoA) shifted from a 4-member travel management panel to a sole travel provider - Campus Travel. Prior to the change, UoA's travellers, including academics from all fields and faculties, senior executive staff and management, had the flexibility to book their travel with any of the four travel agencies on the panel.

UoA's fragmented travel program posed challenges for university procurement including:

- cost management
- spend and activity visibility
- travel data integrity
- 30% leakage of non-compliant bookings
- negotiation leverage with suppliers
- Measuring ROI from suppliers
- duty of care and risk management issues

OPPORTUNITIES

Prior to UoA's decision to consolidate their TMC, UoA engaged 4D to undertake a Travel Diagnostic and identify new opportunities:

- Run an analysis of average ticket price (ATP) spend across the four preferred travel agencies to use as a benchmark within the university's business case for program change
- Benchmark the hotel program, and then working closely with the procurement team at UoA, 4D sourced best-in-market hotel rates
- Propose efficiencies in travel booking processes and traveller support services to reduce ancillary costs
- Develop a strategy to manage costs rather than just report spend levels.

DIRECTION OF CHANGE

As part of its program change plan, UoA were focused on improving booking efficiencies and achieve better commercial outcomes.

Additionally, there were some key changes that needed to be effectively managed during the implementation of Campus Travel's services, including:

- Change to and adoption of a new online booking tool - Serko
- Development and implementation of a new travel policy
- New processes for trip approvals, reporting, expense and data management
- Cultural change management within the university in terms of travellers' acceptance of the new processes put in place.

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CONSOLIDATION THE RESULTS

Consolidation of travel significantly increased the value of strategic travel management for the university.

A redefined travel policy supported the new travel program including :

- Best Fare of Day for domestic and international airfares
- Mandate that travellers would not be reimbursed for non-compliant travel

Early in 2016, 4D provided UoA with a comparative analysis that benchmarked the university's new travel contract with Campus Travel 12 months following consolidation. The analysis was independent reviewing travel data from 2013 to 2015.

4D INDEPENDENT ANALYSIS

6MONTHS Following TMC consolidation with Campus Travel, UoA achieved major travel program success :

- Higher levels of Compliance
- Process Efficiency pre-trip approval process for international reduced from 3 steps to 1
- 21% reduction in program leakage
- 24% savings on TMC fees
- \$100,000 in bankable travel savings
- 80% OBT Adoption

12MONTHS Following the consolidation with Campus Travel, UoA continued to achieve excellent results as detailed within 4D's analysis:

DOMESTIC AIR	INTERNATIONAL AIR	HOTELS
ATP ↓2.1% (market increased 8% in 2015)	ATP ↓10.9% (Top 3 routes)	ARR ↓15.5% (Top 6 cities)

CATEGORY MANAGEMENT

- Holistic view of the total travel program
- Consolidation of hotel bookings enabling the university to target high volume properties & leverage deals
- Knowing where travellers are for improved travel risk management
- Consolidated reporting at the click of a button to produce executive dashboards & key spend metrics.

PROGRAM COMPLIANCE

UoA achieved one of the highest rates of program compliance within the university sector. Traveller compliance to the university's program currently is at an all-time high, sitting at 97.6% and 99.8%. UoA's efforts to communicate policy changes to all travellers, use of the OBT, reporting at a faculty level and monitoring of requests have all contributed to UoA's success

More Information :

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4TH DIMENSION

BUSINESS TRAVEL CONSULTING