

4D HOTEL SOURCING SERIES

BANKING & FINANCIAL SERVICES

CURRENT PROGRAM

359 HOTELS

28 COUNTRIES

80% COMPLIANCE

61,000 ROOM NIGHTS

\$13.6M VOLUME

93% COVERAGE

CLIENT OBJECTIVES

In outsourcing to 4D, the client's key objectives were:

- 1 CONSOLIDATION**
reduce number of properties, drive volumes to procure best rates in market, review reciprocal business
- 2 COST CONTAINMENT**
source rates to make the travel dollar go further, ensure ancillary inclusions in rates and/or obtain discounts
- 3 DESIGN A DIVERSE PROGRAM**
cater to different styles of travelers resulting in increased compliance and traveler satisfaction
- 4 LOCATION**
source and select properties close to office locations which minimise transport costs

4D RECOMMENDATIONS

After detailed analysis of the client's existing hotel program, company requirements and travel patterns, 4D proposed the following solutions to best achieve the goals:

Realigned Hotel Program

Meet the changing needs of the business, enhanced traveler experience, improved duty of care, compliance, improved choice and rate reductions

New Online Hotel Directory

Interactive directory via web including geo-mapping of office locations, preferred hotels and direct link to Google maps to assist with transportation options, directions and nearby conveniences

Survey

Frequent travelers and bookers to gain insight into preferences and new location requirements to assist with the design of the new hotel program

Outsource Hotel RFP & Program Management

Resource time savings, expert industry knowledge, efficient e-sourcing platform, to the moment global benchmarking. cost benefits delivered to the client

Global Rate Loading & Audit

All negotiated room rates are loaded correctly with inclusions & conditions audited so no money was left on the table

4D HOTEL SOURCING SERIES

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NEW PROGRAM

402 HOTELS ⁺⁶⁴ ₋₂₀

28 COUNTRIES

89% COMPLIANCE

72,000 ROOM NIGHTS ^{+20%}

\$16.4M VOLUME ^{+20%}

4.5% SAVINGS \$740K Savings using Preferred & Chain Agreements



4D RESULTS

New hotel program delivers additional savings to the business:

- Introduction of 64 new hotels to the program
- Increased program compliance by +9% and improved consolidation of bookings through TMC +20%
- Negotiated competitive rates lower than the ARR forecast increase of 5-11% in top 5 cities
- Negotiated complimentary and discounted ancillary services
- Removal of 20+ hotels from program due to rate increases & traveller feedback
- Eight Chain agreements introduced with savings of 10-15% off BAR
- Negotiated, waived or reduced merchant fees across suppliers
- Strategic selection of 4-4.5 star accommodation with lower room rates and amenity cost to replace traditional 5 star hotels, whilst maintaining comfort for travelers

CONTRACT MONITOR

- Formal program review each quarter commencing 1 July 2017
- Identify any required adjustments to the program in light of business changes
- Review meetings & events to leverage preferred suppliers
- Assess rate caps & policy in consideration where market supply and demand have impacted caps

“With the increasing rise in diversity of the business traveler, it was important, to ensure we captured the change in requirement, ranging from room inclusion, to amenity offered by the hotel. Priorities of the millennium generation has less focus on ‘luxury’ and more emphasis on ‘tech and lifestyle’.

The 4D team have a depth of knowledge around the global property landscape, and were able to work extensively to ensure the business received great properties, with smart pricing and inclusions, aligned to the new exciting program



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