# TRAVEL MANAGEMENT CASE STUDY



Learn how a manufacturing company was able to drive significant savings through consolidation of their travel program by working with OMNIA Partners chosen TMC, Direct Travel.

## **CHALLENGE**

The manufacturing company was facing a number of issues when considering its strategy for travel:

- Decentralized program that could not be leveraged
- A lot of leakage due to many supplier fees
- Poor reporting, especially on savings realization
- Wanting to avoid a lengthy RFP process typical of their company

The company learned about OMNIA Partners travel program and how it was competitively sourced specifically for OMNIA Partners members. They then conducted an analysis that showed the value of the program for their business—and determined that they could avoid a lengthy RFP, and ultimately make a decision regarding travel management that would meet their goals.

"Thank you so much for jumping on this quickly and getting me the YTD cost savings report before the year-end close out deadline. This is the first time in the history of our travel program that we've been able to count Q4 cost savings numbers!"

- Travel Manager at Manufacturing company





TYPE: Manufacturing



\$2.2 BILLION IN REVENUE



EMPLOYEES 8.000+

# CHALLENGE, CONTINUED

This company is a renowned legacy in the aerospace industry. This company is an integrated, market-facing global diversified industrial company and is a technology leader through their legacy of innovation. 85 years of growth and diversification led to many disparate divisions, with few centralized functions. While the company was able to identify options for a possible supplier solution, the RFP process requires a great deal of time and resources. And, RFPs don't always take into consideration what happens after the contract is sold. After understanding the value of OMNIA Partners, this company joined in 2014.

# COMPANIES SPEND 300-500 HOURS, PER CATEGORY, IN THE RFP PROCESS

#### **VALUE BEYOND COST**

While the manufacturing company wanted a low-cost supplier for travel management. It also needed a partner to consolidate their different divisions (at a global level), and help to significantly reduce spend while keeping their travelers happy and safe.

Previously using multiple TMC's, this manufacturing company sought out a better way to drive savings and gain better control over its travel spend.



# ENTER THE GROUP PURCHASING MODEL

OMNIA Partners leverages the buying power of over 3,330 member companies to secure market-leading pricing, terms and conditions. We approach all of our programs with an additional level of expertise – Category Lifecycle Management (CLM). CLM extends for the duration of the program, including ongoing program management.

#### MEMBERSHIP ENGAGEMENT

 OMNIA Partners enhance our team by providing valuable program feedback and demand for new offerings. We have relationships with travel managers at our member companies who help us develop best-in-class programs.

#### MARKET INTELLIGENCE

 OMNIA Partners & Direct Travel complete over 20 benchmarks a year in travel, making sure you have access to the most competitive pricing, terms, and industry trends.

#### STRATEGIC SOURCING

 Market intelligence & leverage leads to an unparalleled agreement with our supplier partner and continued portfolio growth.

#### SUPPLIER PARTNERSHIP MANAGEMENT

Executive relationships with the supplier represent the needs of OMNIA
 Partners and lead to accelerated issue resolution and maximum program performance.



OVER 3,330 member companies



\$4.5+ BILLION
of average member
annual revenue



OVER \$61 MILLION
in Travel Management
spend



LONG-TERM SOLUTIONS focused on strategic initiatives



### THE SOLUTION

The manufacturing company decided to move forward with the OMNIA Partners travel management program through Direct Travel. They established a quick implementation timeline with a phased approach for domestic followed by global. Communication was key for a successful rollout to ensure travelers saw the benefits of the change. The process included:

#### 1. IMPLEMENTATION

- An evaluation of current travel policies with a focus on improving adoption of the program
- Participation from key stakeholders including the travel manager, procurement staff and executive admins
- A well-defined change management program put in place to ease concerns and minimize disruption, including communication tools for an effective rollout to travelers.

#### 2. REALIZING RESULTS

- Direct Travel identified 15% savings ratio in year one of the program.
- In 2019 savings included:
  - o Over \$8,700 in voided tickets
  - o \$86,400 in airline contract savings
  - o \$64,745 in hotel savings
  - o \$111,100 in transaction fees (online vs. agent)

After 2 years in the program, this company is trending at an 8.6% savings ratio.



# OMNIA Partners Travel Management by the Numbers

50
Members Using Direct Travel



Around the Clock SUPPORT

24-Hour Wholly Owned Service





SAP® Concur® Partner
TMC Elite

1 OF ONLY 20
SAP® Concur® TMC Elite Partners

8% **Average Saving by Increased Online Adoption** 

25% **Average Savings** on International

Travel

15% **Average Tranaction Fee Savings** 







**No Implementation** 



**Analyzed Spend Reports** 





Direct Travel has partnered with OMNIA Partners to help members drive savings to their bottom line and achieve sustainable performance in one of the biggest categories of indirect spend -Travel. We customize solutions that integrate the newest technologies and trends to work best for our clients' cultures and goals. It's this intersection of cutting-edge technology and personalized, strategic account management that sets Direct Travel apart as an industry leader.