

# Cost savings top the list for corporate travel managers

A recent survey shows that 90% of South African companies rate cost savings as the the most important value-add they look for from their travel management company.



Nicole Adonis, FCM Travel Solutions general manager

Service and support is also important according to 85% of respondents, followed by data collection (81%), data interpretation (81%) and technological innovation (71%). Surprisingly, only 67% of travel buyers who participated, rated duty of care as 'very important'. These findings are based on a recent survey conducted by FCM Travel Solutions in partnership with the African Business Travel Association (ABTA).

"Even though South Africa's GDP grew more than expected in the second quarter, and it looks like we have dodged a recession, the economy remains under pressure. It's not surprising to see savings remain an important focus for local companies and enterprises," says Nicole Adonis, FCM Travel Solutions general manager.

With this cost sensitivity in mind, the survey delved further into identifying areas of wastage in travel programmes, with 57% of respondents citing change fees due to bad planning as the biggest money waster for corporate travel. Last-minute bookings followed closely, highlighted by 52% of travel buyers in South Africa as wasted spend.

Out-of-policy bookings cause some wastage according to travel managers, as well as unnecessary travel expenses, including upgrades and luggage fees. However, most respondents feel that they have the right relationships with suppliers to

eliminate wastage with 52% saying poor relations with suppliers causes wastage. Hidden TMC fees or ancillaries are also not seen as a source of wastage, the results show.

"It is encouraging to see that TMC fees are no longer a source of concern for travel managers. Historically, the relationship was transactional, and the emphasis was on shaving a few rands off the cost of the flight, hotel or transfers," she says.

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