

**MAN**

## ***Close look at hotel bookings***



As far as MAN is concerned, booking hotels online with HRS is the precondition to launching a cost-cutting campaign in the hotel sector. The Group has an annual spend on overnights of Euro 7 million, and seeks to book 80 per cent of all hotels online via HRS. The mechanical engineering group has a much reduced need for contract negotiations with hotel operators.

“We are in the process of cancelling our own hotel procurement arrangements.” Herbert Zitzen, travel manager at MAN, no longer sees the need to negotiate company rates with hotels if his hotel provider can “deliver the lowest rates in 85 per cent of all cases.” “The prices offered by HRS are extremely attractive, in fact we can hardly arrange better rates even as a key account,” explains Mr Zitzen. The number of hotel operators with which MAN negotiates its own special rates has “fallen considerably” over recent years.

### **Target: 80 per cent online**

The MAN Group (sales Euro 15.5 billion, 55,000 employees) has been using HRS as its hotel provider for many years already. Some 20 per cent of the Euro 7 million Group spend on overnight stays, including its four subgroups, is booked online via

Hotel Reservation Service. This share is set to rise sharply in the future. One reason being that following cost saving activities in the flight, rail and car rental sectors, travel manager Herbert Zitzen now intends to “take a close look” at the hotel sector. One of the prerequisites for this review is, however, to have access to consolidated data generated via online bookings by the maximum number of MAN employees. Herbert Zitzen considers an 80 per cent online share of all hotel bookings to be ultimately realistic. In those company units where bookings are already organised via the online channel, the Group already has an approximately 35 per cent fraction. The Group itself, which looks back over 250 years of engineering tradition, intends to apply the power of persuasion when implementing its hotel policy. There are





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Herbert Zitzen

Head of Travel Management and Car Management  
MAN Group

no current plans to centrally prescribe booking via HRS, although the corporate travel policy contains a clear directive that within the Group individual hotels should be booked on HRS, explains Mr Zitzen. This approach is producing clear savings. Not only in terms of direct travel expenses, but also via process costs. HRG Germany, MAN's travel agency partner in Germany, is required to make hotel bookings via HRS.

#### Subgroups also actively involved

MAN and HRS created the platform to allow large-scale online bookings by MAN staff at



the end of 2008: an HRS portal customised for MAN went live at MAN Commercial Vehicles' three locations in Essen, Oberhausen and Augsburg. During 2009 the HRS integrated online booking platform is also to be rolled out at other subgroups: MAN Diesel, MAN Turbo, MAN Ferrostaal as well as at its holding, MAN Roland. MAN will then have a standardised workflow for hotel bookings throughout all its subgroups and holdings: travellers and travel arrangers can then access the HRS corporate customer portal customised for MAN on the MAN intranet. All MAN locations worldwide are activated on the portal such that staff can find

all hotels in the vicinity of a specific location at a single click. The user then sees a display which first lists all MAN-authorized hotels, clearly marked with an MAN logo. “We simply do not need any additional hotel content,” says Herbert Zitzen, “230,000 HRS hotels are quite enough. In the event that MAN requires any individual additional hotels, HRS contacts that hotel and includes it in its portfolio.”

#### Allocation with customer IDs

HRS concentrates on the reservation: MAN's preference is that each overnight stay of a traveller is paid on site using the person's individual company credit card. If the traveller does not wish to enter his personal preferences again for each individual hotel booking, the “my HRS” portal function is also available. The individualised data is then stored in the system under password protection. Irrespective of the option chosen, i.e. with my HRS or without, HRS can allocate the data of each and every overnight stay to the individual MAN unit using customer ID numbers. The data contained in the reports generated by the HRS statistics tool gives Herbert Zitzen full information about the status of hotel bookings. Zitzen: “This data is vital for the consolidation of our hotel purchasing activities.” In the case of MAN, central hotel booking via the online solution is not restricted to Germany. In 2008, travel management also took a close look at its hotel contracts outside of Germany. Herbert Zitzen considers it quite feasible that MAN's foreign subsidiaries will also soon be organising their hotel bookings via HRS. Zitzen: “In the age of the internet, there are simply no more borders.” Why, asks the travel manager, “shouldn't MAN's foreign-based subsidiaries also benefit from a functioning system?”

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