

Press Release

Amadeus' CFO research finds corporate travel managers must strike better balance between service quality and cost reduction

- *Majority of CFOs (Chief Financial Officers) dissatisfied with how travel costs are currently managed in their companies*
- *Finance executives look beyond direct travel costs to benefits of new travel technologies, employee productivity and service excellence*

Madrid, Spain, 23 October 2008: Cost Control and Beyond, a new report published by CFO Europe Research Services in collaboration with Amadeus, the leading global technology and distribution partner for the travel and tourism industry, has found that less than 40% of CFOs are satisfied with the levels of savings delivered by corporate travel programmes in their company.

The study is a result of research* with CFOs in Europe, the US and Asia Pacific in a variety of industry sectors and investigates their perspectives on corporate travel management – an area which, to date, has not been widely explored. It found that while CFOs clearly view travel through a cost-control lens, travel cost management has so far made a minimal contribution to companies' overall cost control programmes.

CFOs believe that corporate travel managers should better balance travel service quality with cost cutting, driving direct cost savings through improved supplier negotiations and a tighter view of travel spend across the company. CFOs also want their travel teams to focus on enhanced employee productivity and integrated corporate IT systems.

Key findings are particularly pertinent against the current backdrop of economic uncertainty, with companies scrambling to cut costs without compromising on standards:

- Almost two-thirds of CFOs surveyed rated online booking tools (63%) and automated expense reporting tools (66%) as having medium to high cost saving potential.

- CFOs expect travel managers to prioritise staff productivity saving employees' time before travel (planning and booking), while travelling and on return (expense reporting and reconciliation) to minimise the indirect costs of travel.
- 71% of CFOs believe it is very important to integrate travel technology with expense management systems however just 18% say their companies' have highly integrated these systems. Integration with other business systems such as Enterprise Resource Planning and Human Resources databases are also considered important in the overall mission of managing travel costs but again, performance is lagging.
- Three in four CFOs believe travel managers should focus on improving supplier relationships. The research shows that this is an area where CFOs believe travel teams are currently underperforming. A single view of travel information across the entire business will support leverage with such suppliers and will find additional favour with finance departments by enabling:
 1. More fact-based advice on improved profitability
 2. Tighter cost control by being able to track travel spend by project or individual
 3. The ability to create better budgets and forecasts
- The report also found that over 50% of CFOs are still not wholly convinced of the business benefits of 'green' travel.

Commenting on the report Frank Palapies, Head of Global Commercial Operations, Amadeus said: "Amadeus' objective in commissioning this report has been to discover how finance and travel management departments can work together more effectively and what role technology can play in supporting this. It seems there is still a discrepancy between maintaining corporate travel service quality while striving to keep costs down, but technology can help by providing the tools to increase the transparency, efficiency and control of travel programmes."

Just 27% of respondents considered the relationship between corporate travel service departments and CFOs to be very effective, although CFOs make the ultimate decisions on travel budget and travel technology investments. The report however can be used as a practical guide for corporate travel managers to "speak the language" of those working in finance departments and present smart business cases for travel programme investment with the right mix of cost, standard and value arguments.

The full study can be downloaded at: <http://www.amadeus.com/corporations/CFOWP>

*About the research:

In July 2008, CFO Europe Research Services, a unit of CFO Publishing and part of The Economist Group, began a research project with Amadeus, asking senior finance executives for their opinions about travel management.

The report is based on the results of an online survey of more than 120 senior finance executives in Europe (50%), Asia (25%) and the US (25%), and on in-depth interviews conducted with executives at the following companies:

- Affinity Insurance Services (Aon)
- eBuilder
- Logica
- McCann World Group
- Sightsavers International
- Swiss Re

Notes to editors

CFO Europe Research Services is a sponsored research group within CFO Publishing Corporation, which produces *CFO Europe* magazine, and *CFO* titles in the United States, Asia, China and India. CFO Publishing is part of The Economist Group. <http://www.cfo.com/Europe>

Amadeus is the chosen technology partner for providers, sellers, and buyers of travel. The company provides distribution, IT and point-of-sale solutions to help its customers adapt, grow and succeed in the fast changing travel industry. Customer groups include **travel providers** (airlines, hotels, car rental companies, railway companies, ferry lines, cruise lines, insurance companies and tour operators), **travel sellers** (travel agencies) and **travel buyers** (corporations and travellers). Solutions are grouped in four solution categories – **Distribution & Content**, **Sales & e-Commerce**, **Business Management** and **Services & Consulting**.

Solutions for corporations

Amadeus' vision is to provide next generation travel technology that encourages collaboration amongst all players within the travel industry. To realise this we are investing in technology that will allow the seamless integration of content, data and systems whether they are part of Amadeus or whether they are from third party suppliers. Over the coming years, Amadeus will expand its unique approach to Corporate Travel. By providing the technology solutions that span before, during and after all travel steps, the existing Online Booking tool is evolving beyond trip booking to provide the Total Trip Experience for Corporate Travellers. The move towards mobile technology is an integral part of the vision of what the travel experience should be.

Amadeus' corporate travel solution, Amadeus eTravel Management, helps corporations manage their global travel programmes more efficiently and cost-effectively. The solution helps business travellers plan, personalise and purchase their trip while remaining compliant with the global travel policy. Over 2,500 corporations worldwide with more than one million active users utilise Amadeus e-Travel Management to integrate all the elements of their programmes into one intuitive and easy-to-administer solution. Customers include Altría, Cemex, Daimler, Ericsson, Huntsman, Nestlé, Total and Thales.

More information about Amadeus is available at: <http://www.amadeus.com/corporations>

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