

Crisis Phase 2 – Is there a light at the end of the tunnel?

2 more presidents and their views on the Crisis

Pascal Struyve – President BATM

Within the world of managed business travel we see signs of improvement however it clearly too early to say that the crisis is behind us. When the crisis will be over is hard to say as we don't have a crystal ball but it will certainly take another couple of quarters before we can really say that the financial crisis is history.

But even when the crisis is over it will take a long time before we get back to the levels of 2008. The main reason is that companies have adapted to the new economic situation and as the crisis is lasting much longer than all the previous ones we have known, the changes implemented within managed travel programs have somewhat become the new benchmark and will stay in place moving forward.

More than ever before cost control – generating savings – implementing best practices have been the priority in managed travel programs in 2009 and will continue to be a priority in 2010.

We at BATM are convinced that being member of an association like ours can help achieve those goals and show the added value and return on investment a managed travel program can bring to a company.

Hugo Slimbrouck – President ABITO

“Those companies that had savings prior to the crisis and who did not have all their eggs in one basket, will have been able to survive this last crisis.” says Hugo as President of ABITO. He cannot speak for the others but looking at his own company (MCI/Ovation) he can only conclude that adaptability has definitely been the name of the game lately and the way to the future lies in the role the DMC has to play in the future. DMC's have to become more than ever consultants to the clients. The great drawback of being a DMC however is, that usually they only speak to the agencies and not to the end client direct. Unfortunately the number of agencies that have this pro-active attitude and think strategically is still restricted and will continue to pose a problem.

Today another problem is even more present: the shopping around. DMC's know that agencies shop around and that on average they are on

of four companies submitting for the same business. In the long run this is not only a very costly affair but it also has a demoralizing effect on staff. Technology plays an ever increasingly important role not in the least to enable the DMC to respond as quickly as possible to requests but the systems need to be performant enough to be able to give the management clear and unambiguous facts and figures that will help them to think strategically.