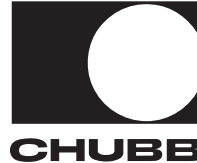


Chubb Trims Travel Budget with Online Automation

Company: The Chubb Corporation
 Implementation: Concur Cliqbook Travel
 Industry: Property and Casualty Insurance
 Company size: 10,800 employees



“Fixed travel expense savings increased 136% and the average transaction fee was down 15%, while air volume increased 3% and total transactions were up 26%!”

With more than \$13 billion in underwriting revenues, a large chunk of The Chubb Corporation's business is insuring jet-setters – high net worth individuals and senior business executives. Chubb employees spend a great deal of time traveling to serve those customers around the world, and the company is aggressive about managing those costs.

In the U.S., Chubb was already using online booking tools to streamline travel arrangement processes and ensure preferred supplier compliance by 2002. Yet its adoption rates lagged because its employees still had to pick up the phone to book more complex itineraries, including multiple city flights and international trips that its incumbent tools could not handle adequately.

SOLUTION SELECTION AND DEPLOYMENT

To push more of its trip volume online, a Chubb team re-evaluated its tool selection, led by Sheri Bonsall, assistant vice president, administrative services, with responsibilities for the company's U.S. travel program. In 2003, Chubb chose **Concur® Cliqbook Travel** to replace its existing solution. Calling Concur Cliqbook Travel a “very accessible tool,” Bonsall noted that her team selected this solution for its ease of use and its ability to address more complex bookings like “open jaw” itineraries (arriving in one location and departing from another) and off-site rental car bookings without an agent's assistance. By transitioning more of these types of transactions online, Chubb was able to close its own on-site travel office and use the lower cost electronic fulfillment.

Kicking off in September 2003, Chubb did extensive training to more than 1,400 travelers and travel arrangers to ensure the system was up across U.S. operations by the end of December of that year. It continued to do a lot of follow up with its internal employee “customers,” and Bonsall has empowered a key member on her team, Lisa Adams, manager of travel administration and technology, to be the “resident expert” on the system. Adams is available to employees as a constant resource for them on Concur Cliqbook Travel.

HIGHLIGHTS

THE PROBLEM

- Low online booking adoption rates
- High percentage of complex travel
- Unmanaged meetings spend
- Incumbent booking tool inadequate for organization's needs

THE SOLUTION

- Deploy new online booking tool capable of more “touchless” trips
- Integrate travel booking with meetings management
- Conduct more transactions – even complex ones – online
- Use lower cost electronic fulfillment process

THE BENEFITS

- Average ticket cost reductions were 19%
- Fixed travel expenses dropped 136%
- Total transactions were up 26%, yet average transaction cost decreased 15%
- First pass yield increased to 95%
- Overall travel department savings of 42% year-over-year
- 95% of trips are now processed without agent assistance

RESULTS

A comparison of Chubb's U.S. travel spend the year after implementing Concur Cliqbook Travel showed that fixed travel expenses dropped 136% and the average transaction fee was down 15%, while air volume increased 3% and total transactions were up 26%. First pass yield (known in the industry as "touchless" travel, which qualifies for the lowest transaction fee from the ticket finishing agency of record) for 2004 was an astonishing 95%.

Overall travel department savings for 2004 on fixed costs translated into 42% year over year. Also of note, the average ticket price dropped by 19%. Today Chubb employees are consistently at a 87% to 93% adoption rate for overall trip transactions and 100% for eligible trips of which 95% are processed without agent assistance. Bonsall noted, "we are very much a self-service enterprise." Bonsall expects total adoption rate to reach 95% of trips once Concur Cliqbook Travel adds direct connects to Amtrak to allow train reservations and bookings.

LESSONS LEARNED

Bonsall noted that getting senior executive support is critical to online booking success but travel teams can't expect leadership to rubber stamp their suggestions for improvement and compliance. "We had to prove that we needed it and it would benefit the company financially," said Bonsall. She notes the system was invaluable in supporting the documentation of spend data as well as quantifying savings analysis.

FUTURE OUTLOOK

Chubb recently selected an online meetings management solution to help manage the events the insurance giant holds each year. Integrated with Concur Cliqbook Travel to fulfill air bookings, this solution also lets Chubb coordinate attendee invitations and registration. In the past, Bonsall's team would often come in on the back end of meeting planning when contracts were already in play. While her team had compiled a database of potential properties and costs to help meeting organizers benchmark rates, now the travel management office can be more of a centralized resource throughout the meetings planning process.

Bonsall is also working with her Chubb peers in Canada, the United Kingdom, and Europe to consider using Concur Cliqbook Travel, with the U.K. already committed. Furthermore, by leveraging both tools together, Chubb hopes to be able to use its meetings spend in its transient travel negotiations. The travel group previously did not have a good mechanism to understand the details of that spend, nor a method to serve internal customers that organize its events.

CONCLUSIONS

A seasoned user of online booking tools, Chubb would not settle for low adoption rates when the available technology could not keep up with its users' trip sophistication. Its perseverance was rewarded with a widely accepted tool that has enabled the company not only to reduce fixed fees, but to also gain greater control over meetings spend, the next frontier for savings in travel cost management.

ABOUT CONCUR

Concur is the world's leading provider of on-demand Employee Spend Management services. Concur enables organizations to globally control costs by automating the processes they use to manage employee spending. Concur's end-to-end solutions seamlessly unite online travel booking with automated expense reporting, streamline meeting management and optimize the process of managing vendor payments, employee check requests and direct reimbursements. Organizations of all sizes trust Concur to help them control spend before it occurs while eliminating paper and optimizing supplier relations. Concur's unified approach to managing employee spend delivers a 360 degree view into all employee expenses, helping companies globally enforce policies and monitor vendor compliance, while delivering unprecedented control and valuable insight. Concur's suite of on-demand services reach millions of employees across thousands of organizations around the world - streamlining business processes, reducing operating costs, improving internal controls and providing enhanced visibility and actionable expense analysis. More information about Concur is available at www.concur.com.

VISIT US AT WWW.CONCUR.COM

World Headquarters

18400 NE Union Hill Road
Redmond, WA 98052
USA
tel (425) 702-8808
fax (425) 702-8828
(877) 4-CONCUR
<http://www.concur.com/>

European Headquarters

St. Mary's Court
The Broadway
Old Amersham
Bucks HP7 0UT
ENGLAND
tel +44 (0) 1494 582 025
fax +44 (0) 1494 582 335

Asia Pacific/Australian Headquarters

123 Epping Road
North Ryde NSW 2113
AUSTRALIA
tel +61 (2) 8875 7769
fax +61 (2) 8875 7777