



Chubb trims travel budget with online automation

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..

About The Chubb Corporation

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.

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%!

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.

Why Chubb chose Concur

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 to replace its existing solution. Calling Concur a "very accessible tool," Bonsall noted that her team selected this solution



Company name

The Chubb Corporation

Solutions

Concur® Travel

Triplt®

Industry

Insurance

Company size

10,800 Employees

Location

US

Why Concur?

- Ability to conduct complex transactions online
- Lower cost electronic fulfillment process
- Integration of travel booking with meetings management
- Online booking tool capable of more 'touchless' trips

Overall travel department savings for 2004 on fixed costs translated into 42% year over year

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.

Results

A comparison of Chubb’s U.S. travel spend the year after implementing Concur 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 adds direct connects to Amtrak to allow train reservations and bookings.

Future outlook:

Chubb recently selected an online meetings management solution to help manage the events the insurance giant holds each year. Integrated with Concur 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, 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.

