

# Case study: John Nitschke Drilling

Corporate Traveller has been managing travel for John Nitschke Drilling (JND) since November 2010. Our centralised approach to travel management provides a one-stop-shop solution for JND that is helping the company streamline procedures, consolidate data, create greater visibility of spend and identify ongoing opportunities to save.

## About John Nitschke Drilling

JND has been providing the mining, exploration and waterwell industries with a comprehensive drilling service since 1962. JND operates a modern and technically advanced fleet of drilling rigs in South Australia, carrying out some of the industry's most technically difficult drilling projects. The company is family owned and was founded by John Nitschke, who has over 40 years experience in all types of drilling.

## Focus areas and challenges

Prior to partnering with Corporate Traveller, JND was self-managing its travel and booking air and hotel direct with suppliers. However rapid company growth over the past few years has increased JND's travel volume to a level that now requires a centralised and strategic management approach.

The fragmented nature of their former travel program made booking changes a challenge as many employees travel on crew rosters and are employed on a fly-in fly-out basis. The company also required a dedicated after-hours service for travellers.

## Our strategies

Corporate Traveller's intention was to provide JND with one-stop-shop travel management. Since implementing the company late 2010, Corporate Traveller has been focusing on:

- a) **Consolidation** – Corporate Traveller has been working closely with JND to consolidate all of its travel bookings and expense data. A dedicated travel management team has been appointed to oversee all of JND's travel requirements.
- b) **Streamlining procedures** – All travel bookings for crew rosters that are put together by JND's various admin staff are now being processed by Corporate Traveller. So too are all booking changes. Corporate Traveller has also established a credit account for JND, which is invoiced monthly.

c) **Reporting** – Corporate Traveller produces regular reporting for JND, which provides the company with greater visibility of their patterns, spend and missed savings. These reports are being used during client reviews to identify and discuss how the company can drive the right behaviour internally to increase long-term savings across air travel and accommodation.

Corporate Traveller has helped JND to create process efficiencies and gain greater visibility of the company's spend on travel.

d) **Airfare strategies** – Corporate Traveller has been educating JND admin staff on fare class structures. Moving forward Corporate Traveller will be helping JND to implement strategies that will help to increase the number of tickets bought in advance, which will lead to a higher use of discount air tickets.

e) **Hotel program consolidation** – Over the next 18 months Corporate Traveller will be analysing JND's accommodation patterns to consolidate the company's spend on hotels. This analysis will be conducted with a view to negotiating a formal hotel program for the company that will better leverage room night production for competitive corporate rates.

## Results

A more centralised approach to travel management has provided JND with greater time and cost efficiencies and created increased visibility of their overall travel spend and patterns. This data will be used in the future to further streamline the company's procedures and better leverage traveller volume for increased corporate discounts.

Corporate Traveller's internal benchmarking, which uses fully-flexible fares as the standard, shows that in the three month period from November 2010 – January 2011, JND has saved in principle \$109,000 on air travel. As part of these savings, Corporate Traveller has identified actual savings of \$4,200 where a flexible fare was purchased where a discount ticket could have been purchased.