



MORGANS CONFERENCE

PRESENTATION BY COLIN BOWMAN

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CORPORATE TRAVEL 101

- Overview of FLT's corporate business
- Brand diversity – a key point of difference
- FCm Travel Solutions – a global network
- Corporate Traveller
- New developments & unique products
- Market conditions & opportunities
- Questions

AN OVERVIEW

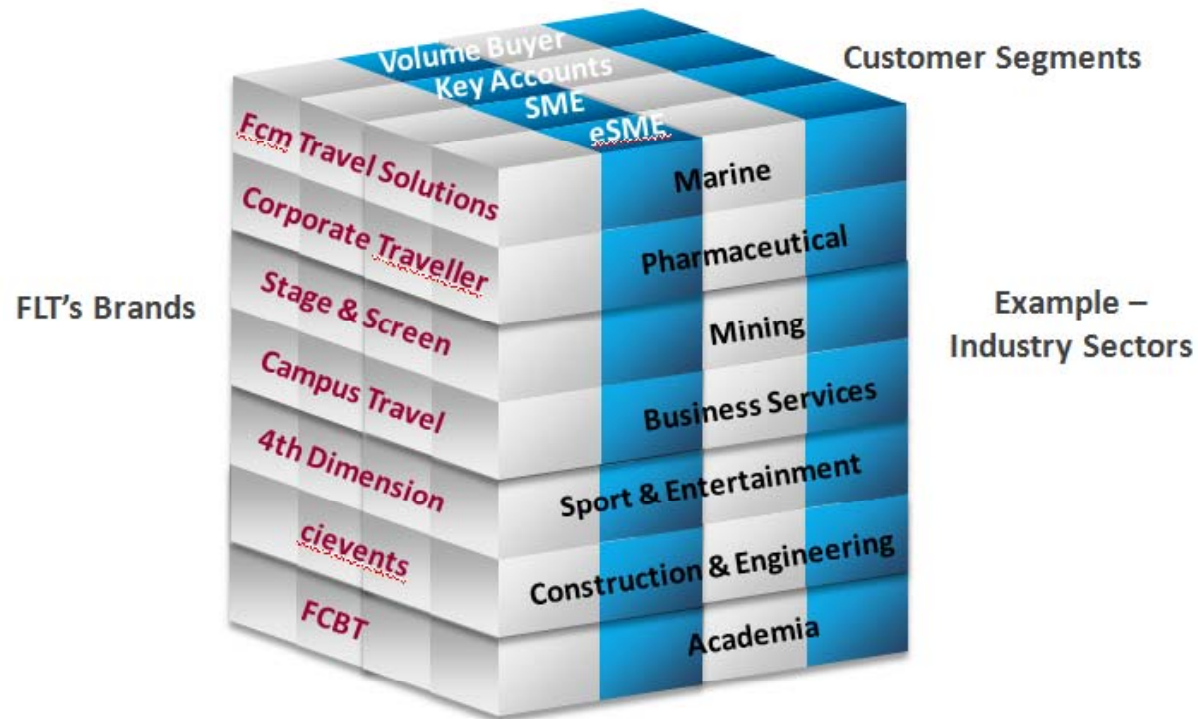
- Almost 500 corporate travel teams/businesses in 11 countries
- FY14 turnover of \$4.8b (about 31% of FLT's global sales)
- Australia's largest corporate travel manager (estimated 20-25% market share)
- About 390 BDMs in place globally to win accounts
- Generally, corporate net margin is slightly higher than leisure



CORPORATE BRAND DIVERSITY



DIVERSITY: A KEY POINT OF DIFFERENCE



THE GLOBAL FCm NETWORK

- Started by FLT in 2004 – just celebrated 10th birthday
- Now extends to 90 countries (equity-owned businesses & licensees)
- Network allows FCm to compete for large national, regional and multi-national accounts
- Award-winning business – world's leading travel management company past 3 years (World Travel Awards)
- Sophisticated client tools & systems – reporting, security & online booking



FCm's VALUE PROPOSITION

- A real person – never a call centre
- Global reach – we do business where you do business
- We customize – one size doesn't fit all
- We negotiate – the right deals
- We guarantee – if we say it, we do it



CORPORATE TRAVELLER



- Started by FLT in 1993 – just celebrated 20th birthday
- SME focus – often competes for unmanaged business or with boutiques
- Strong CVPs built around:
 - Local, personalised service 24/7
 - Money-saving guarantee
 - Choice of payment options
 - Control of travel spend; and
 - No contracts

NEW DEVELOPMENTS

- Customer tracking & security
 - New TRM (Travel Risk Management) tool to bolster existing FCm Secure product
- Enhanced online booking tools
 - Relationships in place with Serko (Asia/Pac), Concur (USA) and KDS (Europe/UK)
- Better reporting
 - Clientbank Connect launch

NEW DEVELOPMENTS

- Unique products
 - SmartFLY launched to support SmartSTAY and other “Smart” products
- Network expansion
 - FCm Ireland acquisition (April 2014)
 - Organic expansion into Abu Dhabi
- Travel Hubs – evolution to Business Travel Retailer
 - Work place transformation – no longer offices
 - Hubs showcase and reinforce what our brands stand for



UNIQUE PRODUCTS

SmartFLY.

The smarter option for air travel.

It makes sense to bring an **expert** on board.

Maximise your airfare budget with SmartFLY:

Exclusive to Corporate Traveller clients, SmartFLY takes the edge off your airfare spending through specially negotiated benefits for our customers.

Get on board with SmartFLY and receive:


- An extra 2% discount on your existing Virgin Australia domestic airfare rebate
- Discounted annual membership for Virgin Australia lounge
- Two Velocity First Gold memberships*
- No joining fee or any other hidden fees.

| Tiers | Annual eligible expenditure (SAUD) | Corporate Traveller SmartFLY domestic rebate | Total inc SmartFLY rebate and point of sale discount |
|--------|------------------------------------|--|--|
| Tier 1 | \$20,000 | 4% | 9% |
| Tier 2 | \$50,000 | 5% | 10% |
| Tier 3 | \$100,000 | 5.5% | 10.5% |
| Tier 4 | \$150,000 | 6% | 11% |
| Tier 5 | \$200,000 | 6.5% | 11.5% |
| Tier 6 | \$250,000 | 7% | 12% |

CORPORATE TRAVELLER

Bring an expert on board

Our products



Why you should bring us on board:

- ✓ **24/7 access** to dedicated and personal service will enable you to focus on your core business, rather than travel bookings.
- ✓ **We guarantee to save you money** through our global negotiating strength and travel expertise.
- ✓ **Flexible payment options** can be tailored to suit your needs, whether it's credit card or account.
- ✓ **Clear reporting** helps you control travel spend and identify opportunities for savings.
- ✓ **No contract** is required unless you would like one. Walk away at any time if you're unsatisfied.

SmartFLY™

Take off with better value

corporatetraveller.com.au/smartfly

*For full terms and conditions please visit www.corporatetraveller.com.au/smartfly. For new Accelerate customers only. Australian OpCo Pty Ltd (ABN 20 003 279 534) trading as Corporate Traveller. ATAS Accreditation No. AT0412. Lic No. WA 97A 589. CTC160946_L20

SmartSTAY™

Check in to better value



“...and where will you be staying in Hong Kong?”

Harbour Plaza Metropole
★★★★

- SmartFLY preferred rate
- Complimentary breakfast for one person
- Welcome gift (one of our signature gifts)
- Complimentary airport transfers (one-way)

The Park Lane Hong Kong
★★★★

- SmartFLY preferred rate
- Complimentary breakfast for one person
- Welcome gift (one of our signature gifts)
- Complimentary airport transfers (one-way)

The Morrison Hotel
★★★★

- SmartFLY preferred rate
- Complimentary breakfast for one person
- Welcome gift (one of our signature gifts)
- Complimentary airport transfers (one-way)

For a full directory of SmartFLY properties and offers download our **SmartSTAY** app



MARKET CONDITIONS

- Corporate travel trading conditions generally solid
- Some “down-trading” in Australia during past 18 months, but business continues to grow (good client retention and new account wins)
- Downturn that followed Federal Budget in May 2014 has had a greater impact on leisure business so far
- Corporate customers benefitting from Golden Era in World Travel – cheaper fares, more choice, greater comfort and less flying time

GAINING SCALE IN KEY MARKETS

- US corporate now FLT's largest business by sales outside Australia and on track to turn over more than \$1b during FY15
- Rapid growth in world's largest corporate market (\$200b+ per year)
- 17 city presence and opening in Silicon Valley, OC during FY15
- Great success in winning unmanaged business (Corporate Traveller)
- UK business also growing solidly
- Trans Atlantic synergies – BDMs working together to win accounts



END OF PRESENTATION

Questions?

