

# Could your growing business use a travel management company?

By [Dorine Reinstein](#)

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As an entrepreneur or business owner, you know better than anyone that every penny counts. Spending money to outsource your travel planning is therefore likely to be at the bottom of your list of priorities.



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However, using a travel management company (TMC) or travel agency that specialises in business travel, could actually help you save a considerable amount of time and money.

"SMEs often think their company is too small to be able to afford a TMC. They feel that the frequent travellers at their company can easily book their own flights and accommodation. While this is somewhat true, a TMC can deliver savings you would never have considered," says Andrew Grunewald, Flight Centre Business Travel Brand leader.

Grunewald explains that, usually, SMEs don't travel often enough to have set contracts and negotiated deals with suppliers such as airlines and hotels. However, negotiating preferred agreements can be a smart way to reduce company expenses.

"By using a TMC that specialises in SME travel programmes and has global buying power and partnerships in place with suppliers, companies can leverage preferred rates that we have negotiated, and leverage our relationships with suppliers to get special benefits, such as avoiding having to pay up-front deposits when renting a car."

## Corporate agreements are not the only way TMCs can save you money

Imagine all the time spent comparing flight costs and travel times, getting to the airport to catch the red-eye flight from Johannesburg to Cape Town, only to realise you have booked it from Cape Town to Johannesburg? And take into consideration the time and money wasted having to change the booking, wait for the next flight, possibly rescheduling all of your meetings.

"Usually, when you are running a business and trying to organise your own travel, you'll consider the immediate implication of cost, without thinking about how that decision could have an impact down the line and cost you and your business a whole lot more," says Grunewald.

A practical example of this is booking the cheapest airfare, he says. "A good travel expert will work with you and understand your company well enough to advise when you would be better served with a more flexible ticket if you are prone to changing your travel plans frequently," adds Grunewald.

When it comes to SME business travel, says Grunewald, companies often fail to realise that 'small' extras, such as ticket change fees, early check-in, taxes and visa costs can considerably drive up expenses.

Another challenge many SMEs face is not having a clear overview of their travel spend, Grunewald warns. "If you don't have a snapshot of your total cost to travel, you're probably underestimating how much your travellers are costing the business" he explains.

"You can't hope for savings if you don't understand the scope of your total travel spend, from significant expenses to smaller items that can add up to substantial amounts, such as extra baggage fees and airport parking."

Grunewald concludes: "The reality is, you won't lose money by outsourcing your travel to a TMC; you'll save money."

## ABOUT THE AUTHOR

Dorine Reinstein is the corporate division leader for Big Ambitions. She is a seasoned travel writer and editor, who is passionate about corporate and retail travel. She has written for several award-winning publications including Travel Weekly and Travel Buyer.

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