

# Commodity in the Extreme

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# Purchasing Oriented Behaviour

- Establish Customer / Supplier relationship
- Collaborative sourcing/outourcing
- Target & gain sharing
- TCO approach / Open book process

# Establish Customer/Supplier Relationship

- To have the supplier stick strictly to the travel policy
- To control the SLA respect
- To work with targets & KPI clearly defined
- Limited panel of reliable suppliers

# Collaborative sourcing/outsourcing

- Objectives are clearly shared with suppliers
  - TMC, operators...
- Help is given to suppliers
  - visibility, strategy...
- Strong partnerships : win/win attitude

# Target and gain sharing

- Clear contracts & realistic appendix
  - SLA, process...
- Penalties & success fees
  - Enforcement of the win/win concept
- All efforts and pains must be valued and shared

# TCO approach / Open book process

- « Real total trip value » concept
  - All hidden costs to be analysed
  - « dead time » to be evaluated
- Cost/value analyse shared with suppliers
  - Opportunity of a « premium » class ?
- Facial value isn't systematically a synonym of saving nor economy

# Thank You !

