

AirPlus International Travel Management Study 2015

Part 2

What Motivates or Frustrates the Business Traveler

AIRPLUS. WHAT TRAVEL PAYMENT IS ALL ABOUT.

Overview

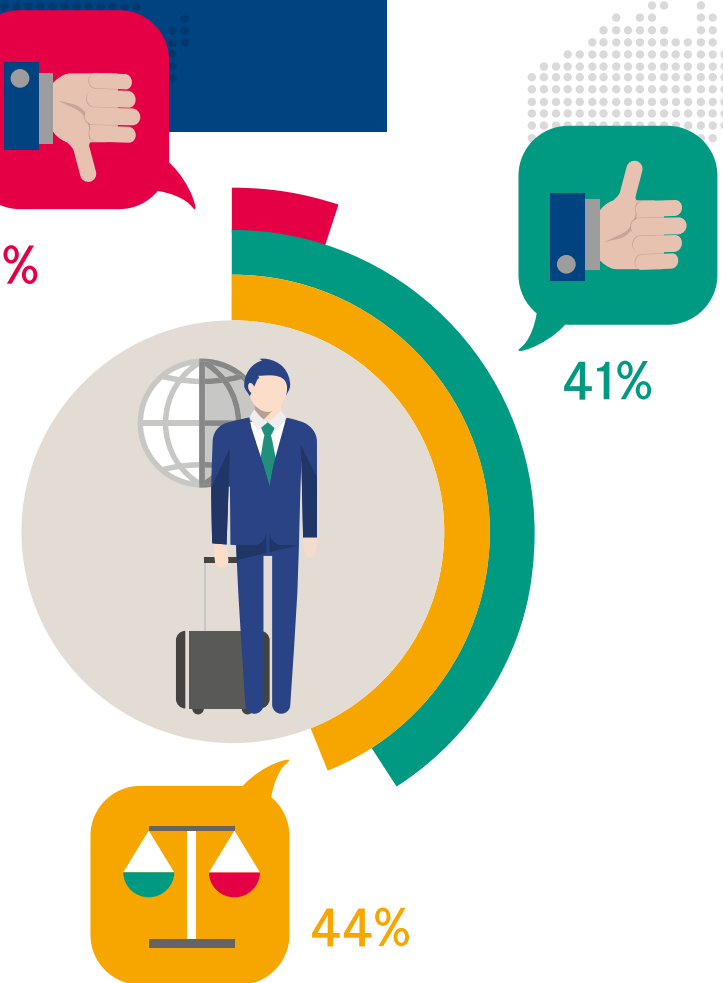
Employees like business travel

Is travel more of a motivation or a frustration for business travelers? According to the 941 travel managers surveyed for AirPlus International Travel Management Study 2015 in 24 countries worldwide, the answer is the former. Only 5 percent believe their travelers view travel as a frustration, but 41 percent think travel is a motivation. However, a larger number still, 44 percent, believe the answer is partly both.

These responses provide important guidance to companies about managing travelers. The perceived enthusiasm for travel raises if not a red flag, then at least an amber one, stressing the need to ensure that employees only travel for sound business reasons.

A case for pre-trip validation

How can this filtering process be achieved? Artificially making travel more difficult than it already is to act as a deterrent is not the answer. As will be shown, there are already enough frustrations involved in travel, so adding new levels of discomfort (such as downgrading policy) might weaken duty of care and stop employees traveling when taking a trip would actually benefit the business. Instead, a better solution may be pre-trip validation. For many companies this has become a formal process, where bookings are automatically queued to senior management



Thumbs up for business travel around the globe

for approval before ticketing. A less structured (but not necessarily less effective) alternative is to state in the travel policy that employees should consult their line manager before booking to confirm the trip has a worthwhile business purpose.

Factors that motivate and frustrate travelers

Further questioning reveals travel managers may have under-estimated how disruptive travel is for employees. Travel managers were subsequently asked whether seven factors motivate travel for trav-

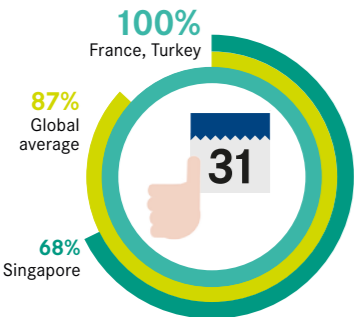
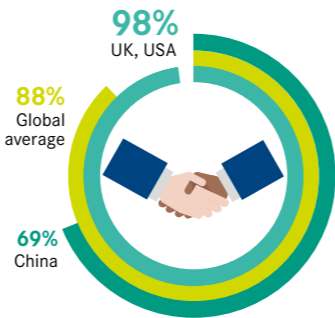
elers and whether another eight factors frustrate travel. On average, 65 percent of respondents agreed with each of the motivational factors and 61 percent agreed with each of the frustrating factors.

What motivates a good trip



Meeting colleagues in person

There are some “bad” reasons that motivate travelers to take business trips, but encouragingly the number one motivational factor is a “good” reason with a sound business purpose. Employees need to meet face to face at least occasionally to boost innovation and corporate cohesion. In the compelling quest to contain costs, it can sometimes be forgotten that companies earn a return when they make an investment in travel. How much does the business gain when employees meet? A precise answer is impossible, but travel managers clearly perceive a value even if it cannot be quantified.

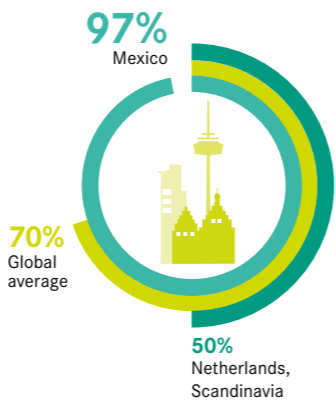


Good journey planning

Travel managers also clearly understand the need to ensure smooth trip organization if travelers are to remain productive – and loyal to the managed travel program. Vital elements of that experience include providing user-friendly research and booking tools with all the relevant supplier options, and a convenient way to pay. If the company cannot provide such tools, then it faces major problems because today there are plenty of good planning tools available through consumer mobile and online channels. Travel managers can no longer rely on retaining traveler loyalty through strict policy enforcement alone. The managed program’s tools must be good enough to make travelers want to use them.

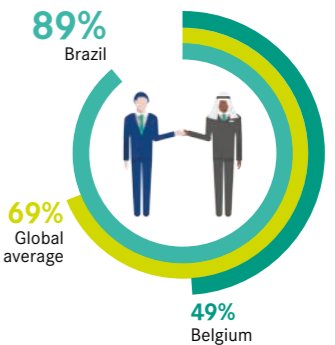
Seeing new cities/countries

This is a less “good” incentive if it encourages some employees to book trips that are not totally necessary for business purposes. However, once again a balanced view is important. Travel is tiring and is often taken during employees’ personal time, such as evenings and weekends. If there weren’t some attractive aspects to travel, fewer employees might be prepared to do it. Seeing new places is rated more highly by travel managers in emerging markets, where travel remains more of a novelty.



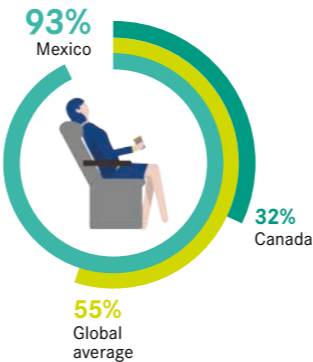
Understanding new cultures

The results here are naturally very similar to “Seeing new cities/countries”, including higher figures for emerging markets. It is often said that travel broadens the mind, and multinational businesses need employees who are enthusiastic about exploring and engaging with a variety of cultures. But they need at the same time to ensure that meeting different people from different backgrounds remains a fortunate by-product of travel and does not become the main purpose.



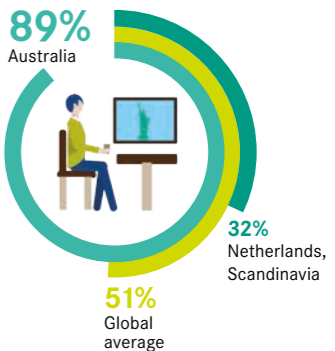
High level of comfort

Slightly fewer are motivated by their comfort level on trips than are frustrated by it (62 percent – see below). There is a fine line between the two: travel managers do not wish to make travel so uncomfortable that it deters employees from taking important business trips. On the other hand, if travel becomes too luxurious, it could encourage spurious journeys. Cultural attitudes appear particularly influential, with greater national variations than for almost any other factor.



Spending the weekend away

The younger generation in today’s workforce has more of a culture of blurring work and leisure time than older employees. Therefore, allowing employees to add private time to their business trips could be increasingly important for recruitment and retention. Once again, however, vigilance is required to ensure employees do not contrive business trips to subsidize private travel plans.



Travel is seen as a status symbol

Status is undoubtedly a “bad” motivational factor, so it is reassuring to find it comfortably bottom of the list. However, the fact that one-third of travel managers recognize status as a motivation for some travelers is a reminder travel can be an emotive, irrational purchasing decision. It strengthens the case for either formal or informal pre-trip approval to ensure unjustifiable trips are weeded out. This finding also emphasizes that some travel managers may face opposition to policy decisions which deprive travelers of status, such as requiring use of economy class, low-cost carriers or budget hotels. The detailed results show status is generally a much more significant issue outside North America and Western Europe.

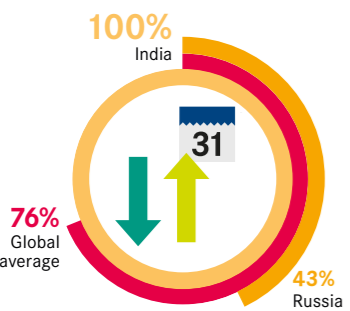
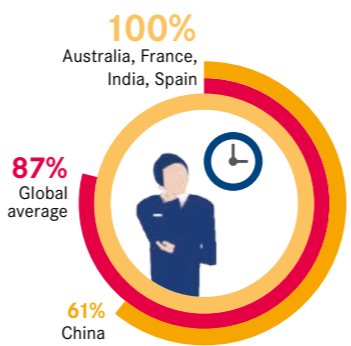
■ Highest ■ Average ■ Lowest

Balancing costs with traveler comfort

The conclusion is that some travel managers do not instinctively recognize the frustrations of travel, but begin to appreciate the difficulties travelers face once they consider the issue more closely. Perhaps this is an understandable response. Travel management has always been about balancing minimization of cost with maximization of traveler comfort. If travel managers acknowledge travelers are frustrated, that means they have to find more effective solutions without compromising their drive to keep costs down.

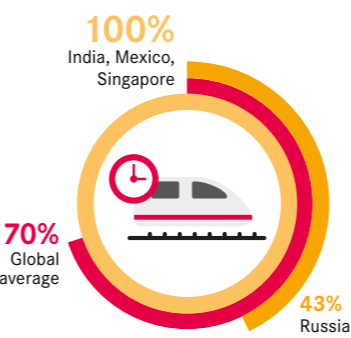
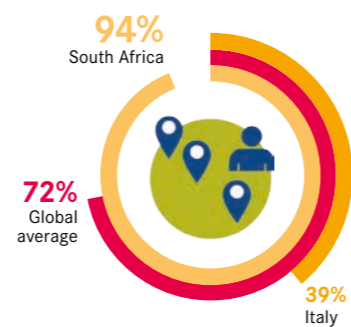
What frustrates a good trip

Waiting time
The findings here confirm other surveys which consistently rank waiting and delays as the number one annoyance for travelers. It matters to their employers too, because even with mobile communications, travelers who spend more time en route aren't optimizing productivity. The number one ranking is also a reminder why airlines' premium class services are as important on the ground, where they are mainly concerned with minimizing waiting time, as they are in the air.



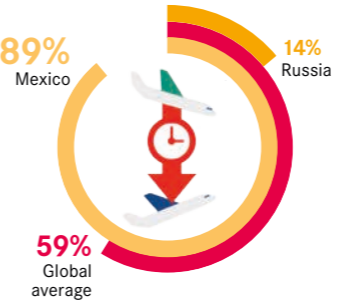
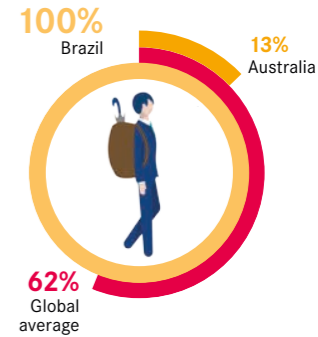
Short-notice travel changes
Since good travel planning was rated a high motivational factor, it is unsurprising that disruptions to plans score highly as a frustration. Once again, travel disruption poses a challenge to employee productivity, not to mention a direct cost because travelers who have to re-book trips cannot buy the lowest-priced, non-amendable tickets.

Time away from friends/family
Perhaps more than any other, the high score for this category reminds travel managers that business travel can be genuinely stressful for employees. Time away from home acts as a natural deterrent to booking unnecessary travel for many, although for a small minority it may have the opposite effect!



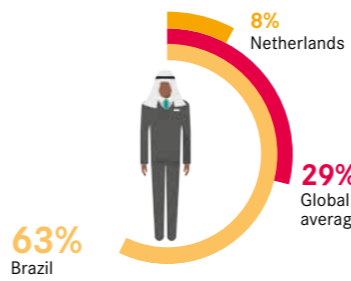
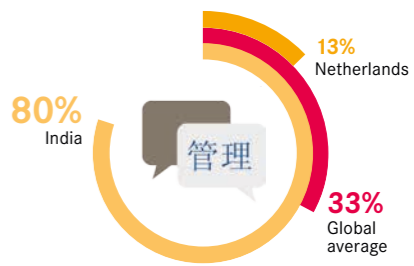
Long journey times
Long-haul travel has increasingly accounted for a higher proportion of business trips in recent years, so lengthy journey times may be a growing problem. The high score for this factor is a warning of the morale risks attached to saving money through making travelers fly indirectly – unless the traveler can journey in business class.

Lack of comfort on trips
More travel managers believe the level of comfort they give travelers is a frustration for travel than a motivation (55 percent). It is certainly important to ensure travelers are not too uncomfortable, otherwise it could affect not only duty of care but also employee recruitment and retention.



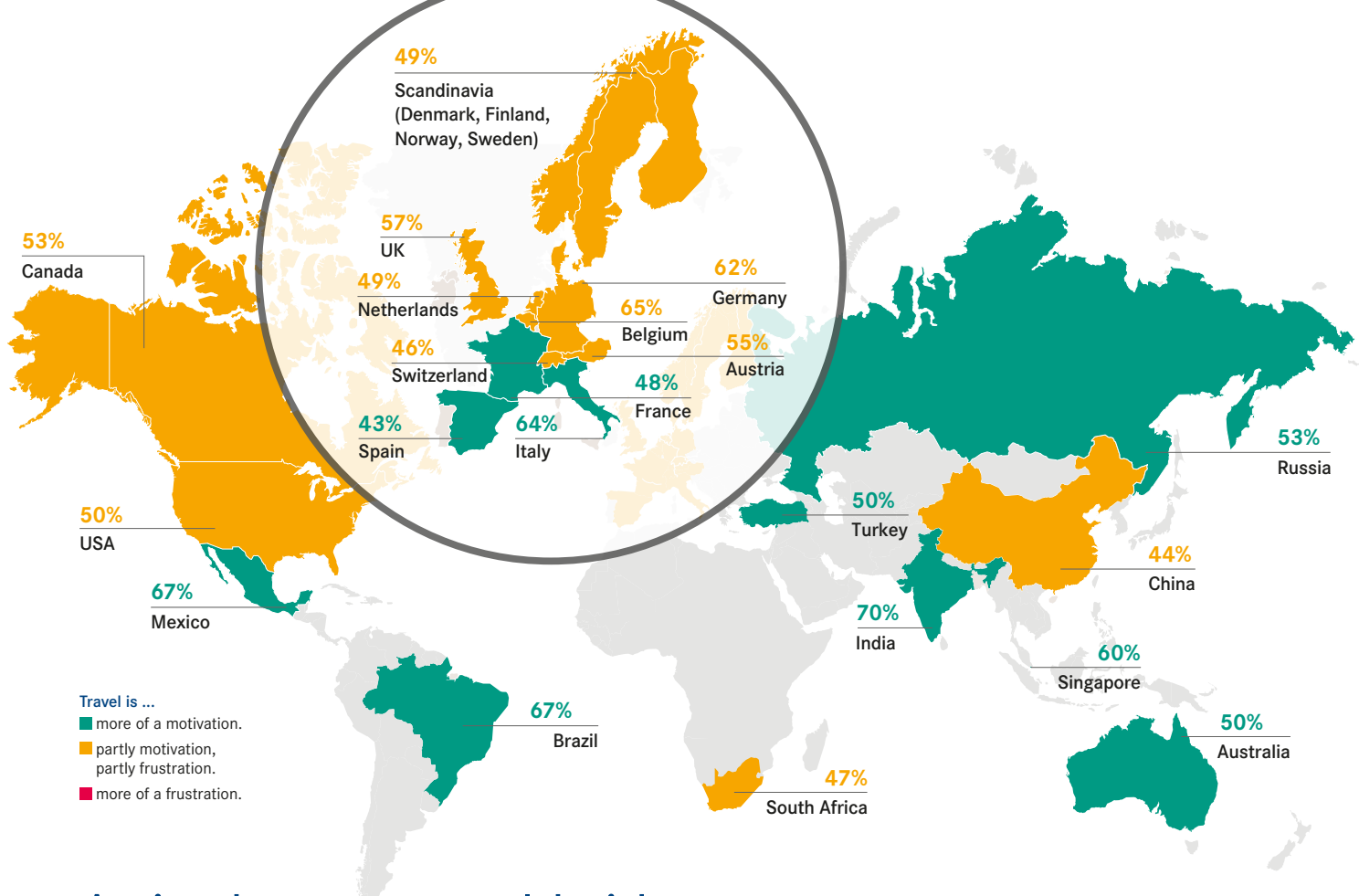
Not enough time at destination
This frustration is understandable, and again can act as a natural deterrent to unnecessary business trips. However, the fact that 72 percent believe the opposite (time away from home) is also a frustration shows it can be hard to keep everyone happy when it comes to business travel.

Local language barriers
It is not surprising to find this concern ranks low on the list of frustrations. Foreign language skills have improved in many countries in recent years, and online translations have also reduced the challenge.



Unfamiliar culture
Another unsurprisingly low score given that 61 percent consider experiencing new cultures a motivational factor. However, culture clashes can be genuinely frustrating. For example, Western Europeans usually like to proceed straight to business whereas in the Middle East and other regions, visitors are expected to socialize at length before discussing commercial matters.

■ Highest ■ Average ■ Lowest



Attitudes vary worldwide

There are significant geographic variations in attitudes towards motivation and frustration. Generally, the mature travel markets of Western Europe (54 percent) and North America (51 percent) are much more likely to view business trips as a mixture of the two when compared with Asia-Pacific (35 percent) and Latin America (28 percent). Emerging markets generally regard travel as more of a motivation, especially India (70 percent) and Mexico and Brazil (both 67 percent).

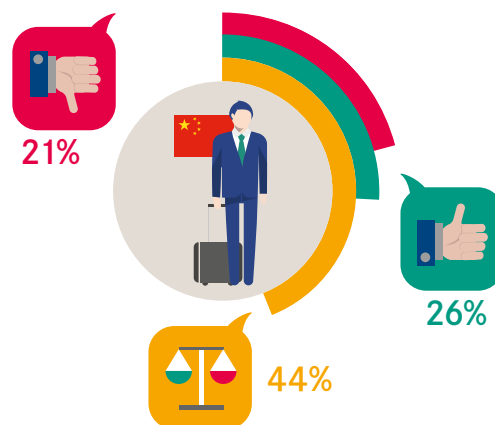
Frustration in China

The major exception to the mature/emerging market split is China, where only 26 percent consider travel a motivation, and 21 percent see it as a frustration – far higher than any other country in the study. Air travel in China has become notoriously difficult over the past few years, with the country's airports regularly returning the worst figures for punctuality. In recent months, there have been many cases of air rage in China caused by lengthy delays.

Size counts

Attitudes also vary according to size. In companies with a low travel spend, 44 percent believe travelers consider business trips a motivation, but this figure falls to 40 percent for companies with a medium spend, 31 percent for those with a high spend.

The exception in emerging markets: China



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About the Study: The survey was conducted from between September and October 2014 by the international market research company 2hm on behalf of AirPlus International. A total of 941 individuals responsible for travel management in within their company were surveyed in 24 countries around the globe.