

Business Travel Trends in 2013

From A to Z

Ancillary fees on top of fares and rates will be watched closely by travel managers in all areas of the program (air, hotel and ground transportation) and leveraged in negotiations.

Brazil, India and China will continue driving growth in business travel spend, at almost twice the world average.¹

Carbon Emission Trading: non-European carriers will be exempt from the controversial EU Emissions Trading Scheme until the Fall, pending a global agreement through the International Civil Aviation Organization.

Duty of care to employees: awareness of the business/moral responsibilities will rise worldwide, although marked regional differences are likely to remain.

Expense management: companies will increasingly focus on this area to improve data consolidation and the user experience.

Foggy economic outlook: the European debt crisis, a potential U.S. "fiscal cliff" and downgraded global growth forecasts are among the factors producing economic uncertainty for 2013.

Game techniques will become more popular as a way to reinforce compliance with the travel program.

Hotel reviews by corporate travelers will improve the travel experience and boost negotiations with hoteliers. While 1 in 3 business travelers² already post reviews online of properties they stay at, social reviews will hold more sway in the business travel program with the adoption of new corporate review sites.



Inflation may hit travel prices modestly overall, with increases of well under 5% except in Asia Pacific (car rental) and Latin America (hotel rates).³



Joint agreements are in the air, with airline alliances examining ways to extend membership to low-cost and "hybrid" carriers.

Key performance indicators: more companies will track their carbon footprint (including emissions from travel) to comply with stricter reporting rules imposed by various governments (e.g., France).

Low-cost carriers will gain more ground in the travel program as new entrants open up opportunities, especially in Asia Pacific and Latin America.

Meetings and events held both in person and online ("hybrid" events) will be explored by more companies as a way to control costs while leveraging social and other features offered by new technologies.



New virtual agents or "avatars" provided by airlines, airports and TMCs will assist travelers with booking, check-in and other questions.



Online usage will continue its growth momentum across all regions.



Packed planes will be the norm as airlines adjust capacity cautiously to meet traffic growth.⁴



Quick quiz: what will be the top travel management priority for 2013?⁵

- Optimizing hotel spend
- Driving air and ground transportation savings
- Optimizing the travel policy

Answer: b

Rail travel will be faster and even more convenient for business travelers as the number of countries operating high-speed rail will continue to increase.

Social media strategies will be implemented by almost two thirds of global travel managers as a key action to improve traveler experience, according to a CWT survey.⁵



Technology will be the traveler's best friend, with mobile/WiFi connectivity and a growing range of business travel apps making travel smoother and more productive.



Unmanaged travel programs may tempt some companies with a low-control culture, but the real risks to employee safety, access to appropriate content and cost optimization must be carefully considered.

Visa regulations will be relaxed in some countries (e.g., Russia's rules for U.S. citizens, Taiwan's entry in the U.S. Visa Waiver Program, likely to be followed by Brazil) and tightened in others (e.g., China), requiring vigilance for business travelers.



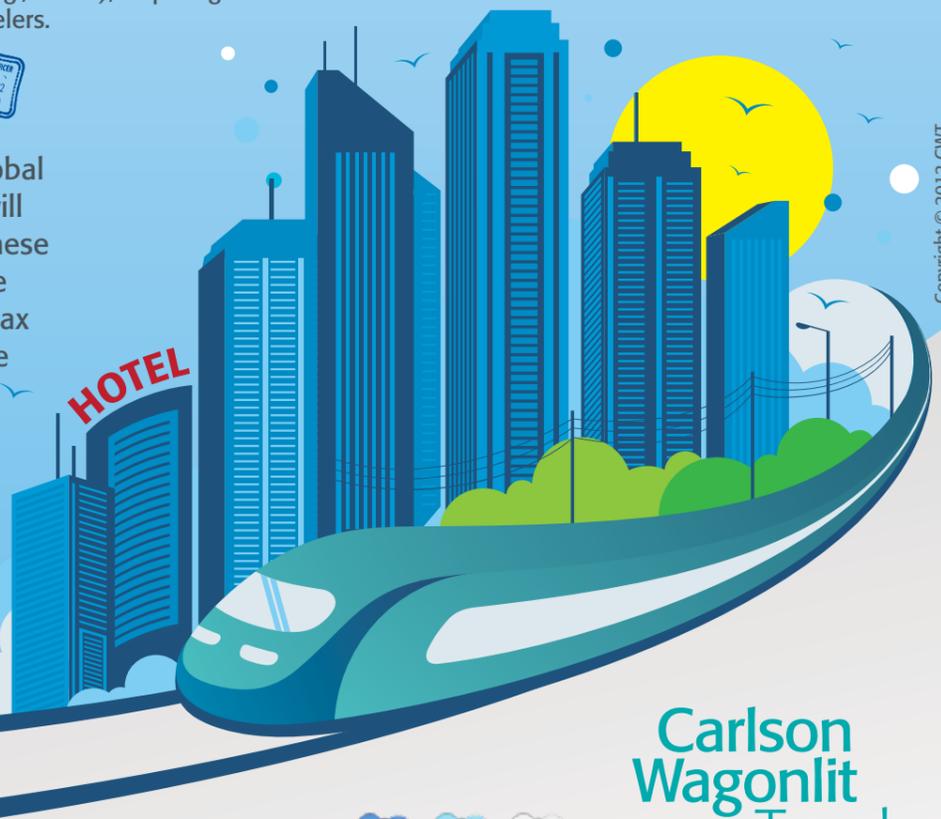
Well-being: increased awareness of traveler stress may lead some companies to revisit their travel policy to improve the work-life balance.

X-ers take note! Generation **Y** business travelers are by nature social, mobile and keen to manage their travel and expenses while on the go.

Zhōng Guó (China): foreign global distribution systems (GDSs) will be authorized to sell non-Chinese airline content, following the government's decision to relax regulation. Changes will take time to implement.



Coming soon!
Travel Management
Priorities for 2013



Sources:

- GBTA BTI™ Outlook – China, GBTA (October 2012)
- GBTA BTI™ Outlook – Brazil, GBTA (September 2012)
- GBTA BTI™ Outlook – Annual Global Report & Forecast, GBTA (July 2012)
- Travelers' road to decision, Google & Ipsos OTX Media CT (July 2011)
- 2013 Travel Price Forecast, CWT, (July 2012)
- Financial Forecast, IATA (September 2012)
- CWT Client Survey, CWT Travel Management Institute (October-November 2012)



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