



THE 2018 SKIFT GLOBAL BUSINESS TRAVELER REPORT

Presented by

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**TURKISH
AIRLINES**



EXECUTIVE SUMMARY

Amid a climate charged by recent changes in trade and border policy, stability and growth forecasts for the global economy remain guardedly optimistic for the near term. That cautious confidence also extends to global corporate travel. Continuing a three-year trend, there appears to be positive momentum for U.S. road warriors venturing around the globe. But as they pursue cross-border opportunities, how are their journeys evolving? What choices are they making to optimize business outcomes while enhancing their personal travel experiences? And how will these choices impact the business strategies adopted by corporate travel managers (CTMs) and travel suppliers?

To explore these evolving dynamics, Skift and Turkish Airlines are releasing the 2018 Global Business Traveler Report. This new research-based initiative, based on survey feedback from more than 100 U.S.-based corporate travel managers and international business travelers, examines how factors ranging from new technology to personal preferences continue to impact the rapidly evolving world of corporate travel planning and policy.

To enhance the survey data, the report incorporates other recent research on global corporate travel, plus insight from Turkish Airlines, experts in the field of corporate travel management, and seasoned international business travelers.

Achieving the organization's business objectives is the top priority for CTMs and employees. After that, they are not always in sync. How does this impact planning, booking, and managing corporate travel? Do differing expectations, priorities and realities create tension and conflict? And does that in turn interfere with business goals and priorities?

By exposing these gaps and differences, the report aims to show ways that CTMs and travelers can find balance in their common purpose and mutual mission.

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ABOUT SKIFT

Skift is a travel intelligence company that offers news, data, and services to professionals in travel and professional travelers, to help them make smart decisions about travel.

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EXECUTIVE LETTER

MESSAGE FROM M. ILKER AYCI, TURKISH AIRLINES, CHAIRMAN OF THE BOARD AND THE EXECUTIVE COMMITTEE

At Turkish Airlines, every step we take from research to product development aims to provide a distinctive and exceptional passenger experience at every stage of the journey.

To improve the quality of our services, we give utmost importance to innovation and R&D, with the help of our in-house proprietary data analysis team and through the feedback provided from independent research suppliers like in this SkiftX Trend Report. We also regularly monitor existing and future aviation trends, and consumer demands, to evolve our existing services and continue to develop new products and services.

Recent studies, for example, have shown that 40 percent of passengers rank “connectivity” among the top three criteria when choosing an airline, behind only price and schedule. As a result, we have added enabling gate-to-gate internet connectivity to our roadmap for the coming months. Throughout this year, we will be upgrading our current fleet’s hardware to take better advantage of High-Throughput Satellites and XTS for better connection quality over the Atlantic and the United States.

While we provide the largest reach in the world with 304 destinations in 122 countries, we are also aware that our business travelers and corporate customers want to couple this unmatched experience with the connectivity. To this end, we plan to fully connect our fleet by 2023.

Research has also shown that our passengers care deeply about sleep comfort. The new sleeping sets in our business class already feature seats that recline into fully flat beds. We will keep this level of quality as we expand our fleet with new-generation, environment-friendly aircraft equipped with a high level of comfort and the latest technology for travelers.



M. Ilker Ayçi,
TURKISH AIRLINES,
Chairman of the Board and the
Executive Committee

To extend the reach of our trademark service quality, flight network, and digital services, we created one of the world's most comprehensive corporate loyalty programs, the Turkish Airlines Corporate Club. Addressing business travelers' needs with exclusive benefits such as front-end discounts, flexible ticketing rules, free tickets, excess baggage allowance, award-winning business class lounges, and special help desk access for members and Travel Management Companies, Turkish Airlines Corporate Club adds value to businesses worldwide.

We will soon start operating at the Istanbul New Airport – which is projected to be the largest international hub with a passenger capacity of 200 million when completed – and introduce more new products and services. An on-site hotel plus convention center and office spaces will create another seamless step for a door-to-door experience that connects 17 cities in the Americas to more than 40 countries that are less than a 3-hour flight from Istanbul.

We never stop working on new ways to further improve our business, and we hope this SkiftX Trend Report is beneficial to your business as well as it is to ours.

M. ILKER AYCI, TURKISH AIRLINES,
CHAIRMAN OF THE BOARD AND THE EXECUTIVE COMMITTEE

INTRODUCTION



Today's global business travel sector is flying high. Despite recent uncertainty related to the economy and changing political conditions, the Global Business Travel Association (GBTA) 2017 forecast predicts escalating corporate spend on global travel for the remainder of 2018, with estimates that the sector will reach \$1.6 trillion by 2020. That's good news for business travel stakeholders and travel suppliers who serve international travelers. After all, when business travel blooms, so too do revenue and profitability for corporations and the enterprises that serve the industry, from travel management companies to airlines and hotels, railways to rental car companies.

Yet for all this historic and predicted economic success, today's business travel sector stands on the edge of an invisible precipice. Thanks to the continued evolution of digital technology tools, changes in business traveler habits, and broader shifts in the corporate landscape, today's business travel sector is evolving at a faster pace than ever before, putting travel management companies, corporate travel managers, and travel suppliers on the defensive as they seek to adapt to these new realities. What's changed?

First and foremost, there is an ongoing shift in business traveler behavior. More business travelers, seeking the same freedom they enjoy with their personal travel, are assertively taking more control of planning and managing their professional travel. It's called the "consumerization" of business travel. As David Reimer, senior vice president and general manager, North America for American Express Global Business Travel, told Skift, this evolving macro trend is "driving deep changes" in the travel industry.

"Business travelers based in the U.S., and globally, have come to expect the same simplicity, choice and flexibility in all areas of their business travel programs that they experience in personal travel," said Reimer. "Technology is a key enabler for the traveler experience, with business travelers embracing the age of powerful, cost-effective mobile technology, and personalization of tools and services."

At the same time, new technologies like chatbot-powered messaging apps, mobile booking assistants, and artificial intelligence (AI)-enhanced travel tools have entered the mix, empowering more traveler independence and reduced costs for organizations that deploy them. According to a recent report by Grand View Research, the global chatbot market is expected to reach \$1.23 billion by 2025. In fact, evidence abounds that chatbots for travel and hospitality are gaining favor with both travelers and suppliers alike. In Las Vegas, for example, resort operators including Caesars Entertainment and The Cosmopolitan of Las Vegas have recently introduced chatbot assistants to better serve hotel guests.

"This trend means that expectations for professional and personal experiences are leveling, with digital technology as the common ground on which intuitive and end-to-end experiences are built," noted Reimer. "This has prompted a profound shift in needs and expectations, affecting the way we design our programs and support our clients and their travelers."



Disruptive, too, are the growing “sharing economy” options available to business travelers, including ridesharing (Uber and Lyft) and alternative lodging (Airbnb). Partnering with Air Plus International in a recent survey of CTMs, the GBTA found that 89 percent of corporate travel programs today allow employees to use ridesharing. And as reported by Business Travel News in July 2017, Airbnb has made significant inroads into the corporate market via direct relationships or strategic partnerships with companies including Salesforce, Levis, and Morgan Stanley. Airbnb told BTN that “15 percent of its total room nights globally come from business travel.”

Even loyalty programs, long considered a core component of the corporate travel experience, are evolving in the face of shifting traveler expectations. The paradigm of points for rooms and flights is not going away — far from it. But business travelers are starting to think differently about what it means to be “loyal” to their preferred travel brands. That means there are new efforts by loyalty program providers to better understand and personalize the business travel experience to serve customer needs. Forbes, for example, cited a recent study that found that “56 percent of respondents said they feel more loyal to brands who ‘get me’ and show a deep understanding of their priorities and preferences.” That desire is largely the result of recent advances in technology, “with the power to customize the loyalty experience rather than forcing companies to offer generic ‘one size fits all’ approaches.” How? By “delivering relevant content within the right context so that the program and the technology are enhancing a customer’s experience — not getting in the way.”

This shift in corporate loyalty and its implications for customer expectations is already a familiar one for organizations that serve the global business travel market, such as Turkish Airlines. “In today’s world, nobody has the luxury to ignore changes in a modern marketplace,” said Mert Dorman, Turkish Airlines’ senior vice president, corporate marketing & distribution channels. “So, like everyone, corporate travel managers are keeping pace with these changes. For instance, a one-size-fits-all approach is no longer accepted by travelers of any kind, and as a result we are seeing more personalization at all stages of the travel experience.”

Where then, does all this change leave CTMs, already stretched thin as they try to control company costs and keep employees safe? And, as travelers seek more control and more options during their travel experiences, are CTMs now yielding or losing control? How wide are the gaps between policy and practice? Is the divide creating tension and conflict, or even disrupting the business outcomes that travel is meant to produce in the first place?



OVERVIEW: THE 2018 SKIFT GLOBAL BUSINESS TRAVELER SURVEY

To further examine how each of these evolving dynamics are impacting the relationship between CTMs and employees, and to understand the potential implications for businesses that serve the corporate travel space, Skift and Turkish Airlines are releasing the 2018 Global Business Traveler Report. This research initiative, comprising a report and a survey of U.S. CTMs and business travelers, mirrors four distinct “stages” of the international business travel journey:

1. Pre-Trip/Booking
2. In-Transit
3. In-Destination
4. Loyalty

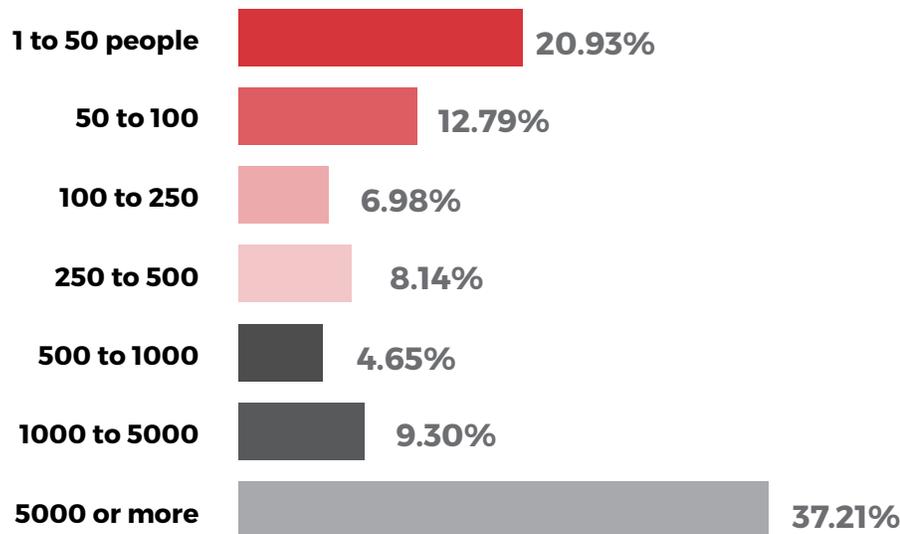
The questions were tailored to gain insight into respondents’ respective experiences with, and opinions of, motivations, decisions, and actions associated with specific elements of each stage.

The respondents represent a comprehensive cross-section of the industry’s current customer base and management. Eighty-three percent of the respondents travel internationally for business. The majority (54 percent) are senior-level, between 40 and 60 years old. Bookending the set are the youngest workers, ages 18-30 (13 percent), and oldest, at 60 and above (10 percent), with the rest (23 percent) in the 30-40 age range.

More than one-third (37 percent) of respondents work at enterprises with 5,000 employees or more. Meanwhile, another third are at small organizations of 1 to 100 people.

How large is the company you work for?

Respondent base: ALL



The survey was also designed to focus on active international travelers. Nearly a quarter (24 percent) jet around the globe 16 or more times each year. More than half travel between six and 15 times annually.

A macro analysis of key trends from respondents' answers reveals several key themes:

- **Business goals come before policy compliance:** Virtually all respondents, from both the CTMs and business traveler respondent groups, agreed that achieving corporate goals was the primary factor in all travel planning decisions. After that, however, business traveler practices start to depart from policy. Following various personal preferences for conducting business, a significant number of travelers go "rogue" in booking and managing their travel. Yet, this is something that more than 80 percent of CTMs in the survey seemed willing to either permit or at least tolerate.
- **The importance of the "complete package" for flight selection:** Low-cost carriers may be growing in popularity with some segments of travelers. However, the majority of CTMs and travelers in Skift's survey favored a one-price, full-service model of travel purchasing, such as that offered by Turkish Airlines, when choosing carriers for international trips. Door-to-door connectivity via an extended global route network with scheduling to match, also core strengths of Turkish Airlines, were equally important to corporate customers.
- **Travelers want to interact with humans when it matters most:** Today's "digital-first" traveler continues to embrace automated technology for in-transit and in-destination essentials such as checking travel details and checking-in for flights and hotels. But when it comes time to change plans, stay in touch, or especially when problems arise, most corporate travelers still want the comfort of human support.

- **An eye on tomorrow's technology:** The technology and tools provided by companies to travelers via travel suppliers still needs to catch up to those that travelers rely upon for their personal travel. The data also shows that future-forward technology like artificial intelligence (AI) is slowly gaining use and acceptance. Turkish Airlines is one organization advancing AI to better understand their customers' preferences and enhance their travel experience.
- **What matters most:** For CTMs, "duty of care" and related safety and security requirements are top of mind when employees travel. For employees, well-being includes taking personal steps to bring convenience and ease to their travels, including saving time and reducing or eliminating hassle.
- **Caring about sharing:** "Sharing economy" tools, such as ridesharing via Uber or Lyft, and to a lesser extent, alternative lodging via Airbnb, continue to gain acceptance in the corporate travel space. Still, adoption is far from universal, particularly for apartment sharing.
- **Staying true:** Loyalty programs are a priority for three-quarters of all respondents. One clear statement is ease of reward redemption over ease of reward qualification. Turkish Airlines recognized "the frictionless acquisition and application of points" as one key factor for business-class passengers in designing its Corporate Club loyalty program.

How exactly are these themes playing out in today's corporate travel sector? And how do the views of corporate travel managers differ from those of the business travelers they serve when it comes to emerging trends in the business travel space? Below, we dig into the data from the survey as viewed through the lens of four key stages of the corporate travel experience.

THE FOUR STAGES OF GLOBAL BUSINESS TRAVEL



The Skift and Turkish Airlines Global Business Traveler Report aims to understand how corporate travelers and their travel management counterparts view, manage, and experience key elements associated with four main “stages” of international business travel.

This starts with asking about the tools and decisions that go into pre-trip research, planning, and purchasing. Specific questions include looking into the level of adherence to corporate travel policy; criteria for selecting airlines for international trips; and degree of reliance on technology- versus human-driven customer support.

Next, the report investigates in-transit habits, analyzing where policy and practice either align or diverge while employees are traveling to and from their business destinations. Key topics include safeguarding employees while in-transit and in-destination, and the growing popularity of “sharing economy” resources like Uber, Lyft, and Airbnb.

The final section focuses on loyalty programs and how new technologies and expanding priorities are redefining this time-honored perk.

PRE-TRIP/BOOKING

Do business travelers tend to stay within budget or spend extra to ensure their comfort? Obey policy or go rogue? Automate trip planning functions or ask human travel agents for help? Well before employees head to the airport, they and their travel manager have a set of decisions to make. Investing in success is the common goal, but the paths to get there differ.

Understanding the top priority for business trips

First and foremost, CTMs and business travelers prioritize getting the work done when planning outbound corporate trips. When approving suppliers (hotels, airlines, rental cars) and services (apps, websites, tools) for international business trips, business travelers and corporate travel managers both ranked “accomplishing the company’s business goals” as their top priority.

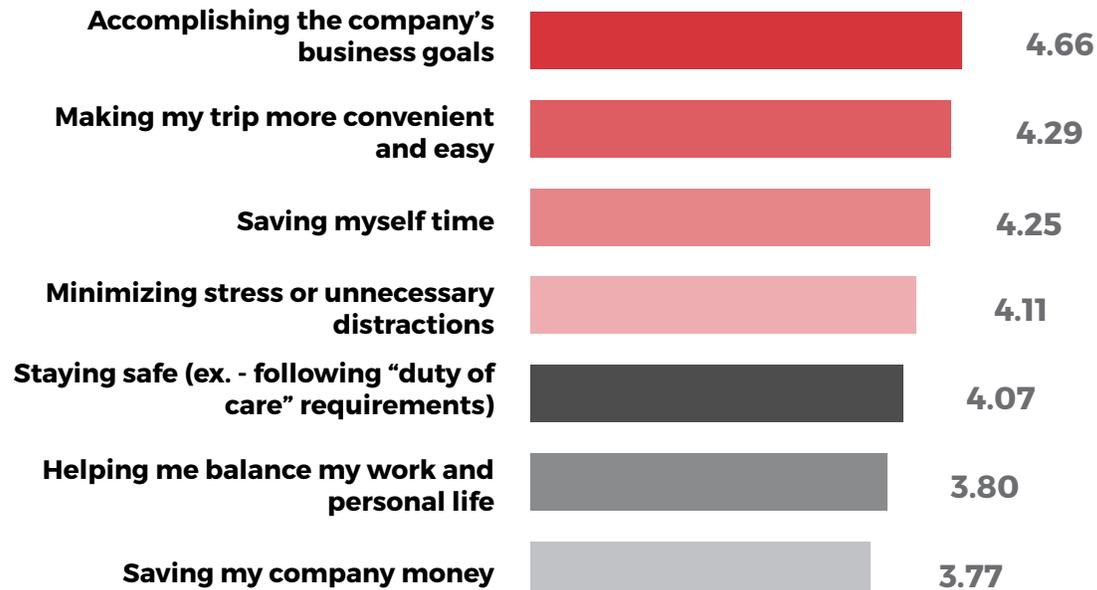
When deciding on the companies (hotels, airlines, rental cars) and services (apps, websites, tools) your company approves for business travelers, rank how important it is they help solve the following problems. Rank on a scale of 1 (unimportant) to 5 (critical).

Respondent base: Corporate Travel Managers



When deciding on the companies (hotels, airlines, rental cars) and services (apps, websites, tools) your company approves for business travelers, rank how important it is that they help solve the following goals. Rank on a scale of 1 (unimportant) to 5 (critical).

Respondent base: Business Travelers



However, after this goal, the two groups start to diverge. For instance, CTMs and business travelers were split as to how to align travel budgets to achieve these business goals. Not surprisingly, CTM respondents put "saving the company money" among the top three most important goals. That's a standard obligation, more defined than ever. According to "The Transformation of the Travel Manager's Role," a 2015 study by the GBTA and Sabre, 61 percent of North American travel managers report directly either to purchasing or procurement, or their finance, accounting, or treasury departments. Business travelers, meanwhile, ranked this concern last, with most focusing on goals such as saving time or making their trip more convenient.

Deciding what tools to use to plan and purchase trips

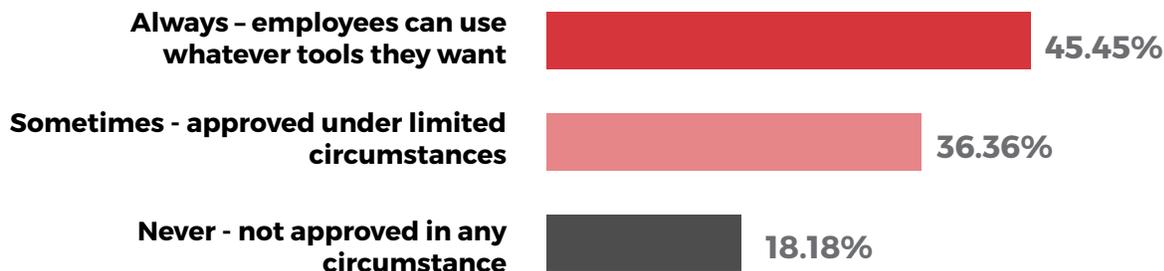
This disconnect between CTMs and travelers also extends into the apps and tools many road warriors use to plan and purchase their trips.

In "Traveler 360°," a July 2018 report from Amex GBT and German research firm GfK, 40 percent of nearly 750 U.S.-based business travelers admitted to booking outside their companies' travel policies. Their reasons for going rogue are sound enough. Most (between 84 and 86 percent) did so to be closer to the meeting or event venue; to stay in a safer or more convenient location; to be in the same hotel as their client; and even to save the company money.

On this topic, the Skift survey reveals a mixed bag. Forty-five percent of CTMs said they freely permitted employees to use any travel apps, websites, and other resources they wanted to book and manage business. Another 36 percent allow "off-policy" usage under limited circumstances. The rest (18 percent) insist on policy compliance.

Which of the below options best describe your company's policy regarding the use of "non-approved" tools (apps, websites, travel agencies) to book/manage business trips?

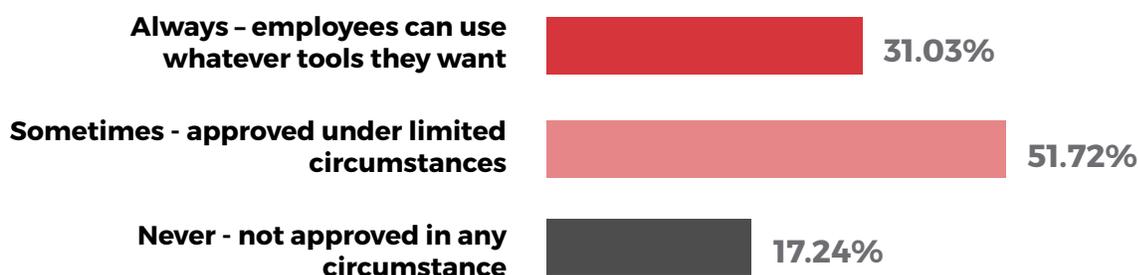
Respondent base: Corporate Travel Managers



However, business travelers reported differently. Only 31 percent can book and manage at will, with 52 percent experiencing some restrictions. The number reporting they needed to adhere to strict compliance rules was nearly the same as the corporate travel managers, however, at 17 percent.

Which of the below options best describe your company's policy regarding the use of "non-approved" tools (apps, websites, travel agencies) to book business trips?

Respondent base: Business Travelers



How should travel managers and travel management companies address this so-called "rogue" behavior? Better employee education is one component. The Amex/GfK report found "a direct correlation between policy education and traveler compliance, with Americans having a significant lead in compliant behavior. Although most travelers are 'very' or 'extremely familiar' with their travel policy, many also indicated that their company policy is not clear, underscoring a need for more education and transparent policies."

One suggested solution from a Skift survey respondent for improving the booking experience was for travel management companies to take more control of the user experience, rather than outsourcing it to travel brands. As the respondent put it in the survey feedback, "corporate buyers should take ownership of the (digital) traveler experience and not be dependent on suppliers."

Another survey respondent noted that they would like to see “better integration of managed travel choices into corporate booking tools, with ‘open booking’ options where I can book direct and still access my negotiated rates.” And continuing the theme, yet another survey respondent wanted “...one-stop-shop services that would be sold to companies to ensure that we can travel and shop in one single place. The majority of the companies offer preferred programs for hotel accommodations but not for airlines. This could be something that companies should start packaging together.”

Assessing the utility of company-issued tools

Corporate travel’s growing shift toward “consumerization” is further underscored by the emerging attitudes of business travelers toward company-issued planning resources versus those they use to plan and book their personal, family or leisure excursions.

For one segment of business travelers, mandatory use of company-issued tools isn’t a problem. More than one-quarter (27 percent) of CTMs said they do not require their employees to use company-provided tools.

What is your opinion of the travel tools (apps, websites, travel agencies) your company provides employees for booking/managing business trips when compared with the tools they might use to plan/manage their personal vacations?

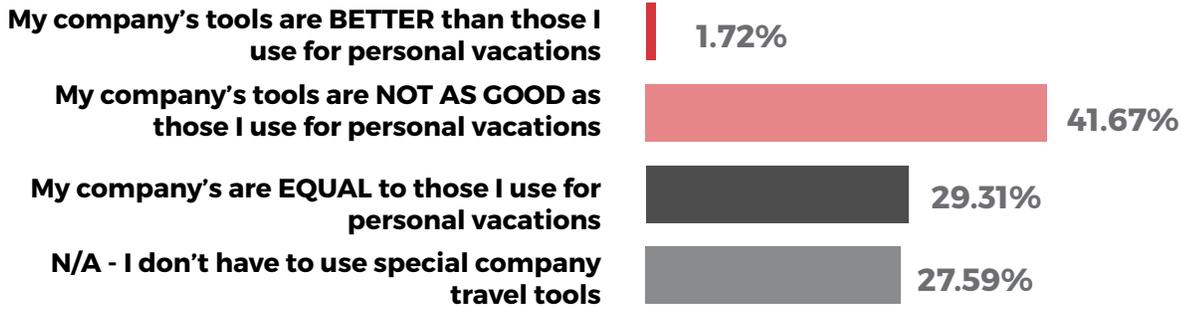
Respondent base: Corporate Travel Managers



But survey data suggest that travel managers who do require employees to use company tools are not exactly hitting the mark when it comes to a user-friendly experience. A little less than half (41 percent) of the business travelers surveyed by Skift said that company-provided tools were “not as good” as their preferred solutions. Meanwhile, only 29 percent said their company tools were as good as what they used for personal trips, and less than two percent of respondents said their company’s offerings were better than their own.

What is your opinion of the travel tools (apps, websites, travel agencies) provided by your company for planning/managing business trips when compared with the tools you would use to plan/manage a personal vacation?

Respondent base: Business Travelers



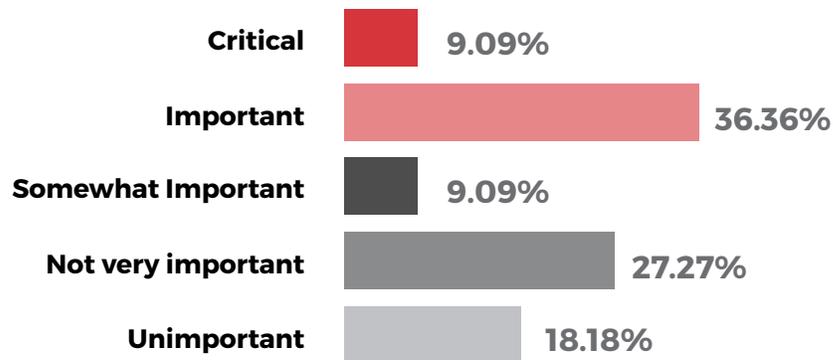
Attitudes toward personalization

Personalization is another key theme impacting the pre-trip experience. As more travel suppliers and travel management companies look for ways to differentiate their products and experiences, personalization tech offers one opportunity to stand out. But do the sector's key stakeholders actually care about using personalized trip planning tools?

The CTMs who responded to Skift's survey were not yet persuaded, with only 36 percent naming personalization as important and another 45 percent saying it was either not very important or unimportant.

How important is it that companies (hotels, airlines, rental cars) your organization selects for business travelers personalize the purchase experience for your company to address your employees' specific needs?

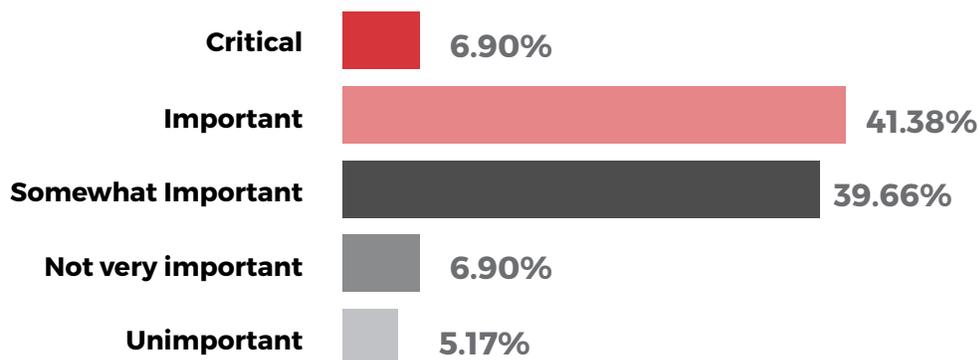
Respondent base: Corporate Travel Managers



However, business travelers disagree with CTMs on this topic, with 41 percent deeming personalization as "important" and another 39 percent calling it "somewhat important." In fact, for frequent international business travelers like Rafael Villanueva, senior director of international sales for the Las Vegas Convention and Visitors Authority, personalization technology is a priority, serving as "a deciding factor" when he is choosing hotels and other suppliers.

How important is it that companies (hotels, airlines, rental cars) you select for business trips personalize the purchase experience based on your specific needs and past interactions?

Respondent base: Business Travelers



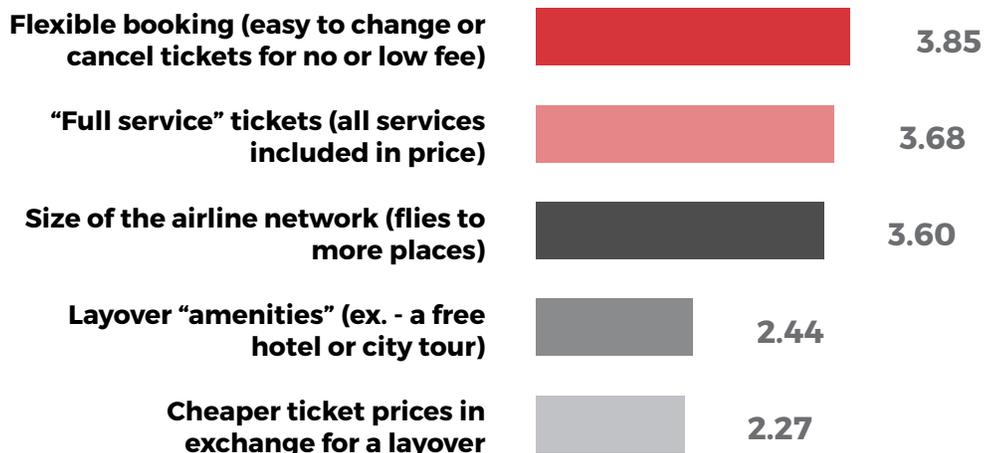
For CTMs, this growing desire for personalization points to the continued importance of full-service corporate travel tools and products. Such services allow companies to offer a hand when it's most needed while still providing the digital-friendly tools desired by today's travelers. "A full-service travel management company allows the traveler to choose their booking method," said Virginie Pouget, head of global consulting at Egencia. "The traditional white-glove service is available for complex international trips, but mobile and desktop functionality exist as well allowing the traveler flexibility."

Picking an international airline

Corporate travel managers and employees both agreed there are three top priorities when selecting an airline for international business trips. First and foremost was the flexibility to book, change or cancel tickets for no fee or a low fee (mentioned as somewhat important, important, or critical by 89 percent). The second priority was booking tickets which covered all services for one price (81 percent). The extent of a carrier's network, referring to the size and coverage of its routes, was tied for third (81 percent).

Rank the importance of the following features in selecting an airline for international business trips. Rank on a scale of 1 (unimportant) to 5 (critical).

Respondent base: ALL



Turkish Airlines is one carrier that recognizes the importance of connectivity and other considerations of flexibility and choice. "We've done a number of studies into the most important factors for business travelers in choosing airlines, and we're continually seeing the top three drivers of purchase intent to be price, schedule, and connectivity," said Mert Dorman, SVP, CORPORATE MARKETING & DISTRIBUTION CHANNELS, TURKISH AIRLINES. "There may be some consistencies across various products in a traveler's journey, such as flights, hotels, or services. Certainly, price and availability are a common thread that are of importance to many travel-related companies.

As an airline company that focuses on bridging continents and connecting communities, what we have the ability to influence is to enable access to our wide network of more countries than any other airline, at an appropriate price point. Those first two factors have long been a strength of Turkish Airlines. In 2018, our focus is to build on that strength by increasing door-to-door connectivity for every stage of the journey. We are doing that by implanting new technologies and forming new partnerships."

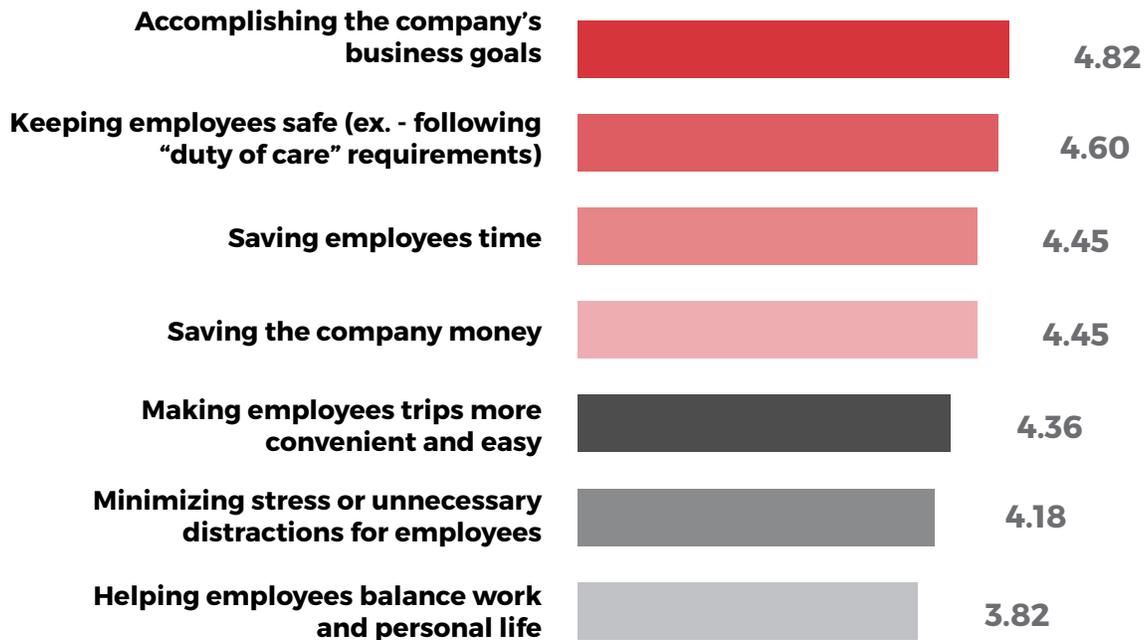
IN-TRANSIT

The airline and hotel are booked, the presentation is prepared. Several hours or time zones away, the first business appointment awaits. Now it's travel time, and for the corporate travel manager, the trip's primary measure of success is ensuring the traveler's safe return. While the same is also true for employees, they are also equally interested in creating a journey that is hassle-free. This section looks into the habits, preferences, and tools for achieving these and other key in-transit objectives.

Virtually all (91 percent) CTMs listed duty of care and other safety-related requirements as important or critical, putting the factor alongside accomplishing business goals as their primary selection factor when picking preferred suppliers and services.

When deciding on the companies (hotels, airlines, rental cars) and services (apps, websites, tools) your company approves for business travelers, rank how important it is they help solve the following problems. Rank on a scale of 1 (unimportant) to 5 (critical).

Respondent base: Corporate Travel Managers



Surprisingly, employees put ease and convenience, saving time, and minimizing stress and distractions ahead of these security concerns.

When deciding on the companies (hotels, airlines, rental cars) and services (apps, websites, tools) you select for business trips, rank how important it is that they help solve the following goals. Rank on a scale of 1 (unimportant) to 5 (critical).

Respondent base: Business Travelers



That's in line with the 2018 ACTE/Amex study, which noted a diminishing concern among CTMs with duty of care issues. According to the study, "...nearly half (46 percent) of travel managers say they've seen an increase in enquiries about personal safety – down from the 51 percent who reported an increase in October 2017 and the 65 percent who did so in 2016."

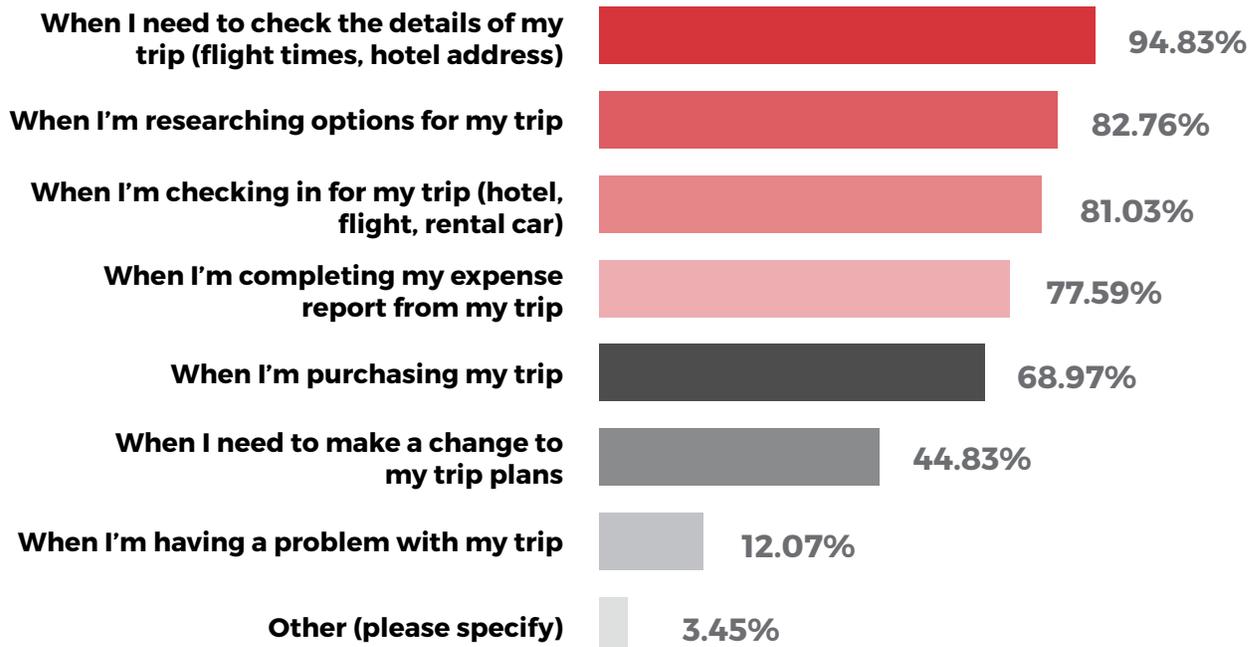
Use of automated and self-service tools

In a 2016 Sabre Corporation-sponsored report, "The Digital Business Traveler: A Survey of Business Travelers in North America, Germany, Italy, Spain, and the Nordic Countries," 78 percent of U.S. business travelers said they embraced self-service and personalized travel options. Where are they today on automated services for managing their travel on the go?

Nearly all of Skift's business traveler survey respondents said they use automated solutions for checking trip details (94 percent), researching trip options (82 percent), and checking in for flights, rental cars and hotels (81 percent). Next came expense reporting (77 percent) and trip purchasing (68 percent). Notably, however, only 44 percent rely on technology to change trip plans, and most absolutely want people, not automated technology to handle problems. Only 12 percent were comfortable with automated solutions for problem-solving.

**In which of the following situations would you be comfortable using an automated service?
(select all that apply)**

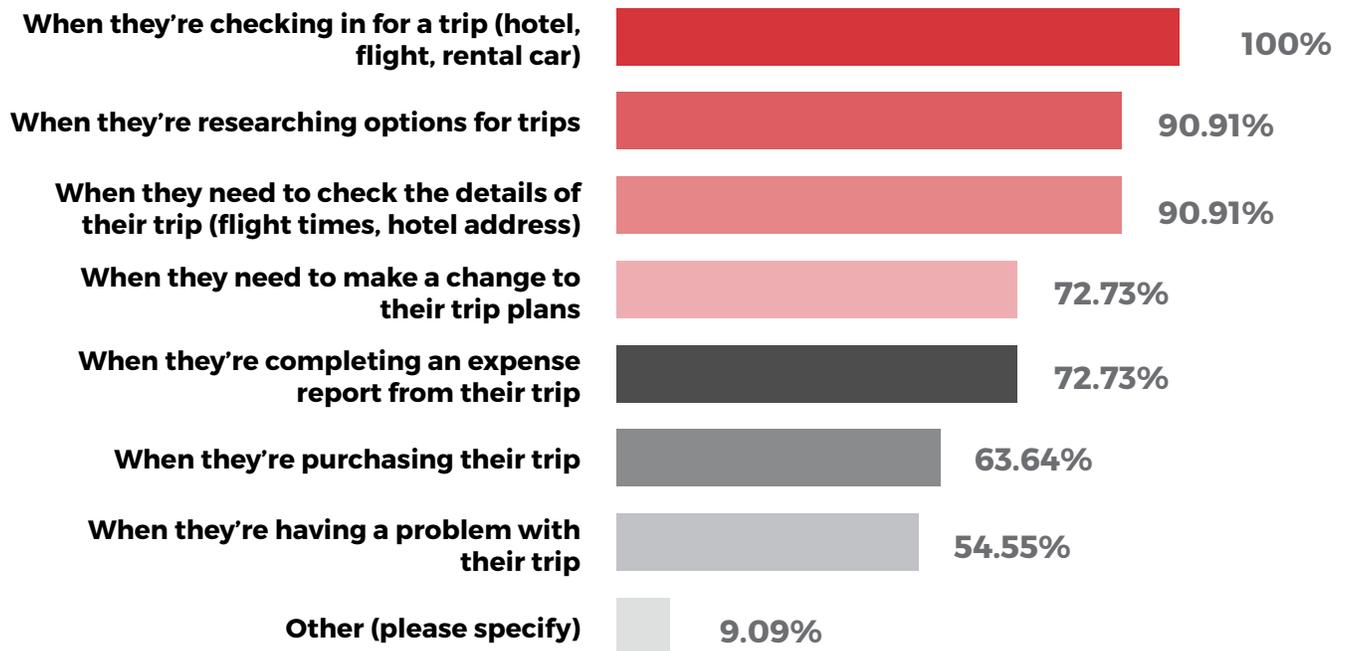
Respondent base: Business Travelers



CTM respondents, meanwhile, unanimously put the check-in process as the best use for automated services. Virtually all (90 percent) back automated assistance for researching trip options and checking trip details on the go. Other activities getting relative attention include changing trip plans and completing expense reports (72 percent) and trip purchasing (63 percent). Interestingly, more than half of travel managers (54 percent) were comfortable with automated solutions for handling trip problems, which is perhaps a nod to the fact that these tools can likely save their company money.

In which of the following situations would your organization be comfortable with providing an automated service to business travelers? (select all that apply)

Respondent base: Corporate Travel Managers

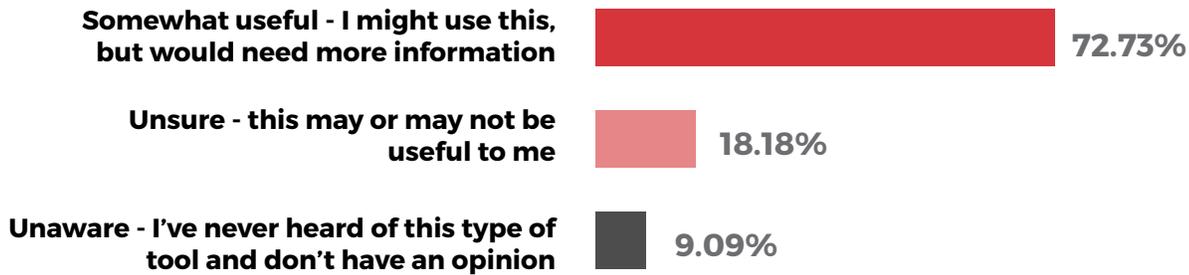


Utility of chatbots

Opinions vary on the value of text-style “chatbot” technology such as Facebook Messenger, Slack, or similar solutions for helping employees plan, book, or manage their travel. Awareness is building among CTMs, with 72 percent open to using chatbots, but needing to learn more about the technology.

What is your opinion of text-message based “chatbots” for business travelers?

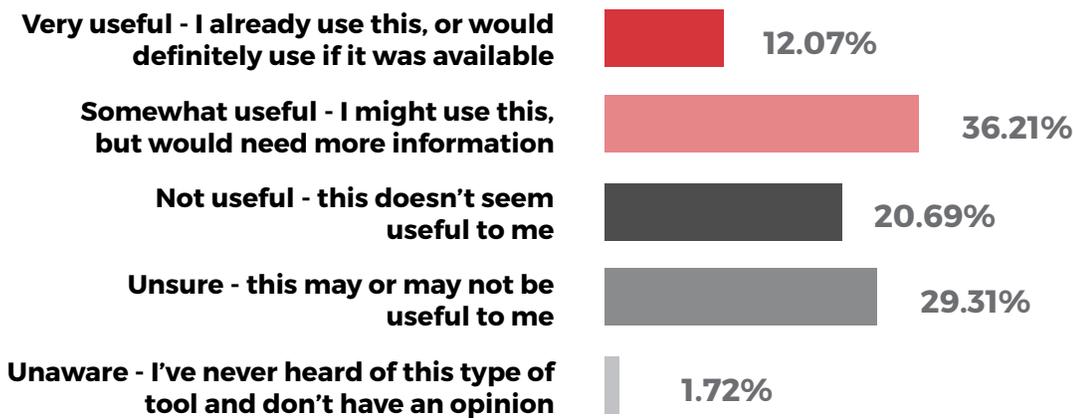
Respondent base: Corporate Travel Managers



Business travelers were more ambivalent about the value of chatbots. Just 12 percent of travelers already use chatbots or were open to the idea. But adoption and interest are growing, with another 36 percent not yet committed but open to more information. Tellingly, 20 percent have yet to see their value, pointing to services' limited utility or perhaps the need for more education.

What is your opinion of text-message based “chatbots” for business travel?

Respondent base: Business Travelers

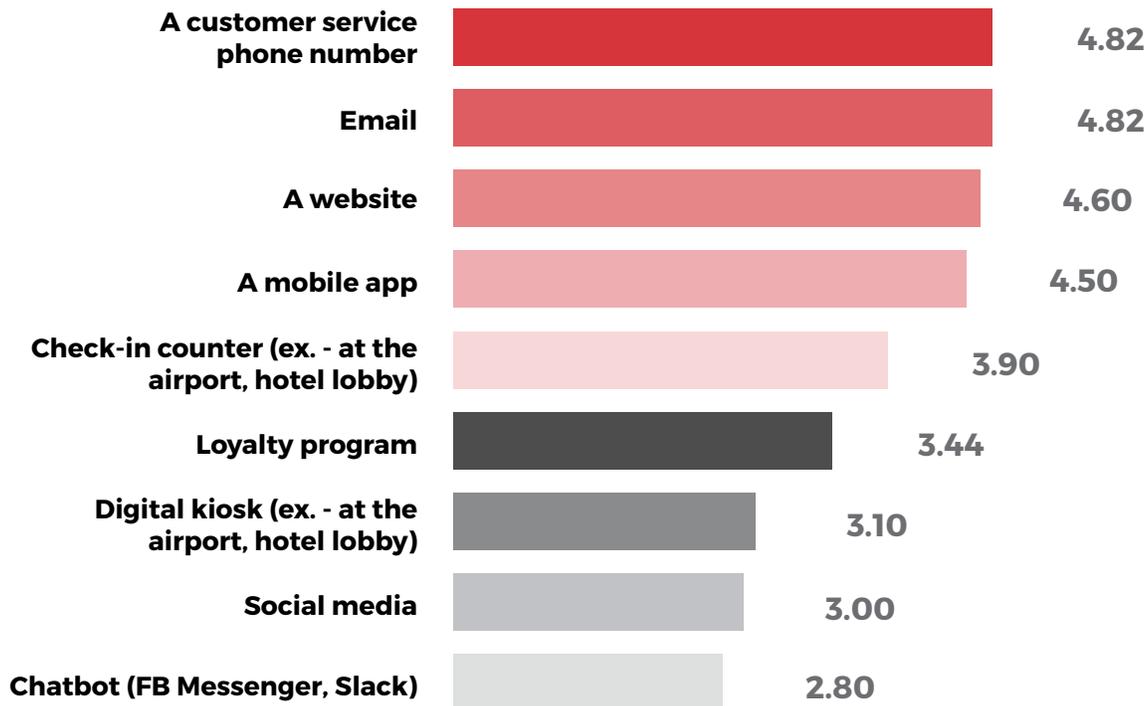


Preferred methods of contact

Travelers want direct or indirect human contact in company-provided partner tools and resources for staying in touch. For travel managers, a customer service phone number, email, and website were the three most important resources.

How important is it that the partner companies and tools (software, apps, travel agents) your organization provides for business travelers offer the following methods to get in touch? Rank on a scale of 1 (unimportant) to 5 (critical).

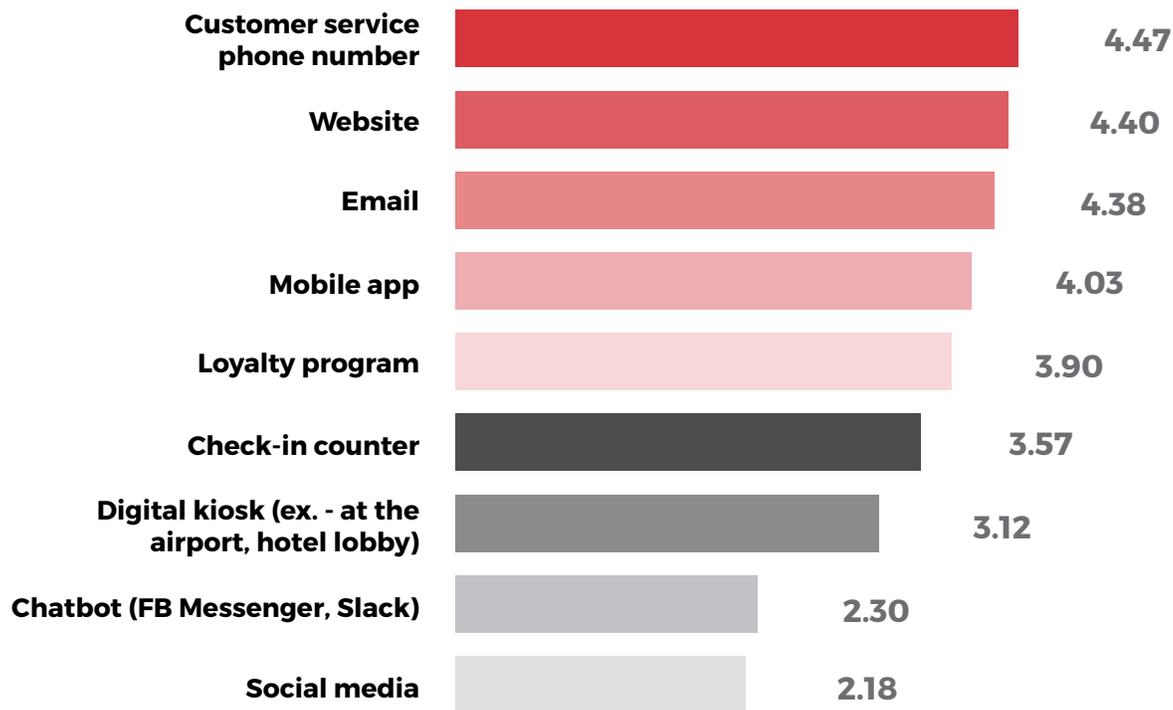
Respondent base: Corporate Travel Managers



Business travelers, meanwhile, rated the ability to access a website first and customer service contact second. The least favored were automated services like chatbots and social media. Unpopular, too, was dealing with check-in agents at the airport, likely because of long wait times.

How important is it that the companies and tools (software, apps, travel agents) you use for business trips offer the following methods to get in touch? Rank on a scale of 1 (unimportant) to 5 (critical).

Respondent base: Business Travelers



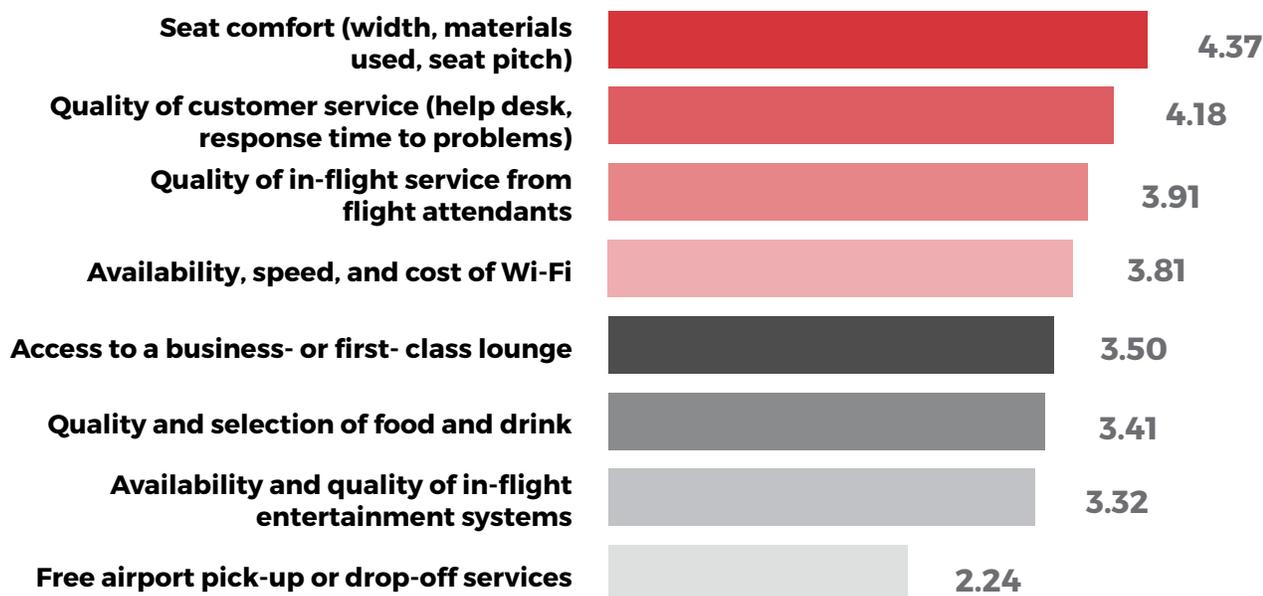
According to Egencia's Pouget, TMCs can add value during business travelers' trips by helping them stay connected and in touch via mobile apps that provide 24/7/365 support. Egencia has developed such an app, which Pouget said "features trip alerts that notifies travelers when their trip changes, such as a delayed flight, or canceled booking. It also provides flight, rail, hotel, and ground transportation booking features to help them get to where they need to be.

In-flight airline amenities

Seat comfort topped the list of preferred in-flight amenities among business travelers and CTMs (mentioned as somewhat important, important, or critical by 95 percent). Nearly as important was access to assistance from the help desk (97 percent) and from flight attendants (95 percent). On the radar were services including WiFi (86 percent), quality and choice in both food and beverages (85 percent), in-flight entertainment (81 percent), and business- or first-class lounge access (72 percent).

Rank the importance of the following in-flight amenities in selecting an airline for international business trips. Rank on a scale of 1 (unimportant) to 5 (critical).

Respondent base: ALL



IN-DESTINATION

When an employee deplanes, he or she is now at the farthest point from office and home. This is when duty of care measures and the means to stay in touch and get help are at their most critical. In fact, it's when TMC policy and employee behavior need to be most aligned.

"Employees are the most valuable part of any organization," stated Pouget. "Increasingly, we see global companies prioritizing traveler safety above everything else when in-destination. TMCs offer risk management tools for both travelers and travel managers so your company can proactively manage risk and react quickly when the unexpected occurs."

Yet, as survey data shows, that is not always the case, creating risk and tension. How can companies associated with the business travel sector address this glaring gap? And what other in-destination services (like those related to the sharing economy) are gaining popularity with corporate travelers and their managers?

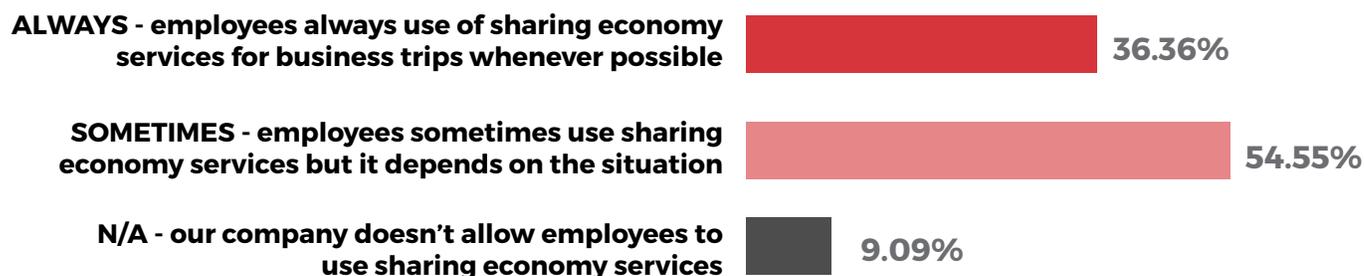
Embrace of sharing economy services

Two of the oldest industries in the game, hotels and ground transportation, continue to experience a major transformation thanks to the rising popularity of sharing economy services like ridesharing (Lyft, Uber) and alternative accommodations (Airbnb).

Organizations appear to recognize the value of these services, with 36 percent of Skift respondents encouraging employees to use sharing economy services for business trips whenever possible, and 54 percent when the situation merits. Only 9 percent forbid shared solutions.

Does your organization allow the use of “sharing economy” services like ridesharing (Lyft, Uber) or alternative accommodations (Airbnb) during business trips? Select which of the below options best describes your usage:

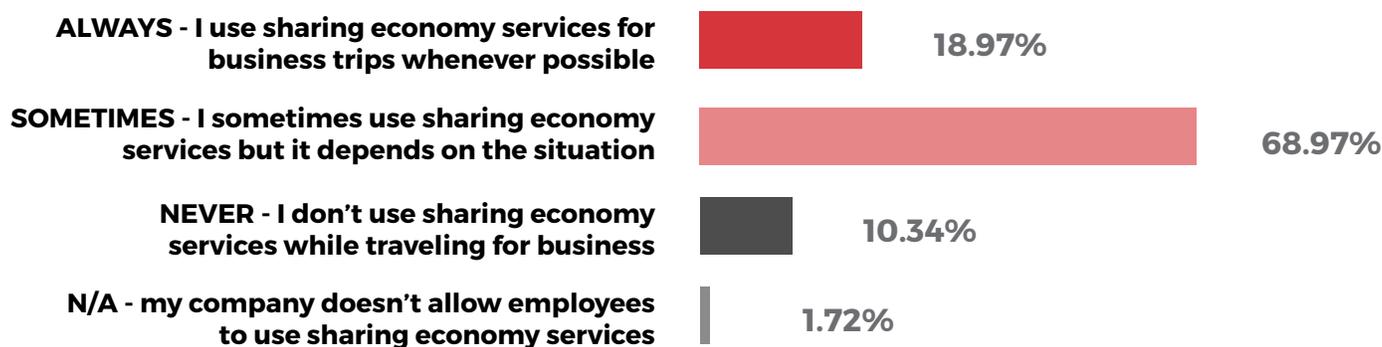
Respondent base: Corporate Travel Managers



Given the macro trend toward greater adoption of sharing economy services, the survey reveals surprisingly cautious adoption by business travelers. Only 18 percent always use shared options, while 68 percent choose on a case-by-case basis. It may be presumed that ridesharing, widely available, simple to use, and demonstrably helpful – leads the category and will only gain in favor. At least for the present time, the bar for using alternative overnight options is higher.

Do you use “sharing economy” services like ridesharing (Lyft, Uber) or alternative accommodations (Airbnb) during business trips? Select which of the below options best describes your usage:

Respondent base: Business Travelers



Ridesharing appears destined for increased market acceptance. For experienced travelers like Rafael Villanueva, such services offer “value, accessibility, connectivity, and, if you pay attention, safety. I mainly use Uber as it is automatically linked to our Chrome River expense account program. It records the route, drive, costs, and time. I love it.”

While not yet as widely adopted by corporate travelers, Airbnb also appears bound for broader use, especially in situations where lodging options are limited.

Travel and hospitality industry expert Glenn Haussman weighed in on the relative merits of each. “Eliminating language barriers and typically cheaper, ride shares are amazing,” he said. “I feel more in control by following our route via an app and I do not have to have local currency. I’ve also used Airbnb, but only a complete apartment rental. I have no interest in sharing space with people I know and like, let alone strangers. While I still prefer hotels, sometimes they are unreasonably expensive and it forces me to use Airbnb.”

Interest in artificial intelligence

What about artificial intelligence, or AI, for business travel? For travel manager respondents, this area appears to be gaining traction, with 36 percent on board with the technology and another 45 percent open to learning more about AI’s possibilities.

What is your opinion of using artificial intelligence (AI) for business travel?

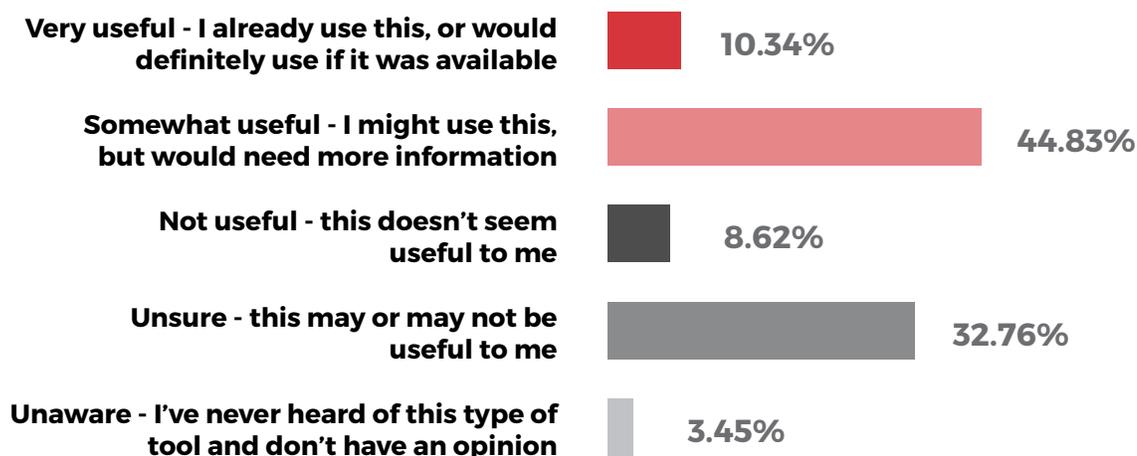
Respondent base: Corporate Travel Managers



For business travelers, the wheels of adoption are turning more slowly. Only 10 percent are currently engaged, with 32 percent “unsure” and another 44 percent needing to learn more. Perhaps owing to lack of familiarity and thus comfort and usage, with such advanced tech, one Skift survey respondent offered this decidedly negative review. “Chatbots and ‘AI’ are way overblown – they’re mainly just another form of overengineered [interactive voice response] that cause me more hassle than they’re worth. I really don’t need yet another separate, unintegrated channel to get the info I need. Still easier to just ask Google.”

What is your opinion of using artificial intelligence (AI) for business travel?

Respondent base: Business Travelers



In Turkish Airlines' view, AI holds great future promise for serving corporate travelers. "Recently, technological advancements have helped airlines rewrite the unwritten rules of the industry," said Dorman. "Every service provider is now using artificial intelligence to understand travelers' preferences and improve the guest experience. For example, while airports used to be slow to adapt, that is no longer the case. They are now racing to bring innovation to their customers and to attract more passengers.

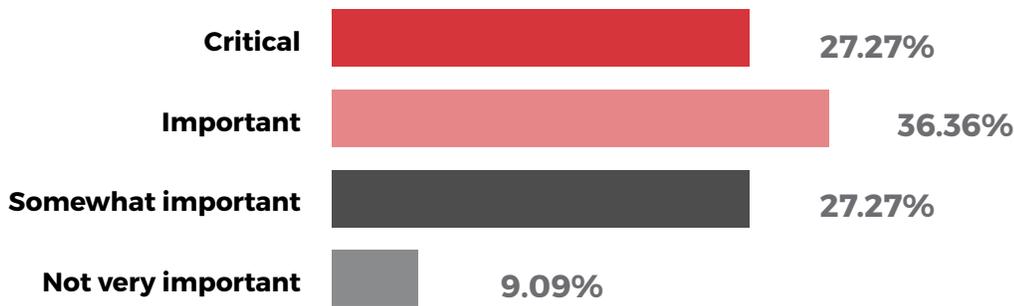
The Istanbul New Airport will open on October 29, 2018, with robots and automation to help travelers find flight information, guide them through the airport, request airport services, and answer airport FAQs. These are very exciting developments and it will be even more exciting as the time goes on, because these robots will be open to API developments to make it possible to continually innovate and add functionality to perform new tasks as the industry continues to evolve."

LOYALTY

How do companies look at granting employees the ability to earn loyalty rewards for their international trips? The survey data shows that for the most part, loyalty is taken seriously, with 63 percent of CTMs deeming it either important or critical.

How important is it that employees can earn loyalty rewards while traveling for business?

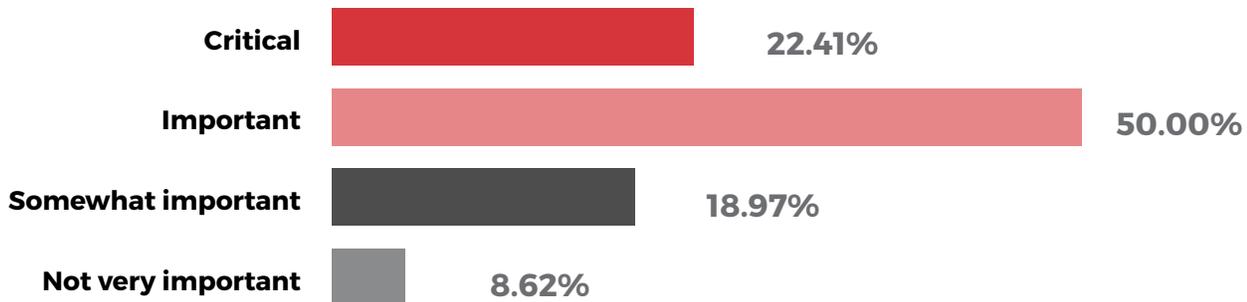
Respondent base: Business Travelers



Loyalty is an even greater priority for business travelers, with half of Skift respondents calling it important and another 22 percent considering it critical.

How important is it that you earn loyalty rewards while traveling for business?

Respondent base: Business Travelers

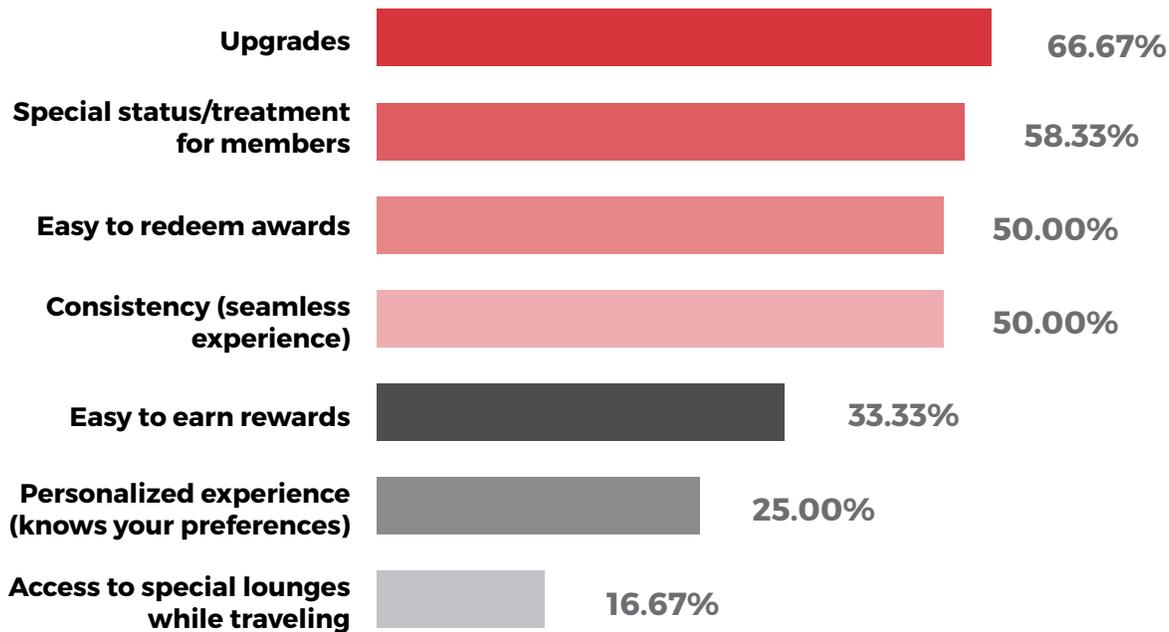


Importance of loyalty benefits in business travel decisions

CTMs and travelers generally think alike on what defines a truly rewarding loyalty program. Corporate travel managers prioritize upgrades (66 percent), special status and treatment (58 percent), and ease of rewards redemption and “seamless” program consistency, the latter two at 50 percent each, for their employees.

In your opinion, what are the most important features of a great travel loyalty program for business travelers? (select your top three)

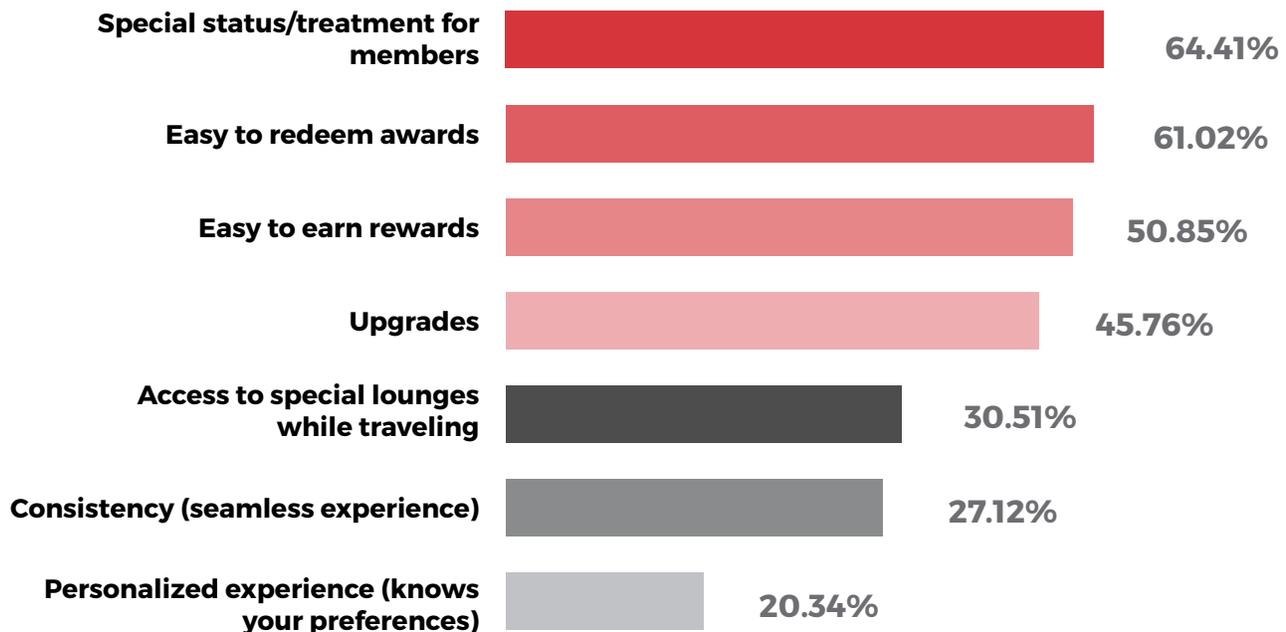
Respondent base: Corporate Travel Managers



For employees, special treatment comes first at 64 percent, followed by ease of redemption (61 percent), and ease in earning rewards (50 percent).

In your opinion, what are the most important features of a great travel loyalty program for business travelers? (select your top three)

Respondent base: Business Travelers



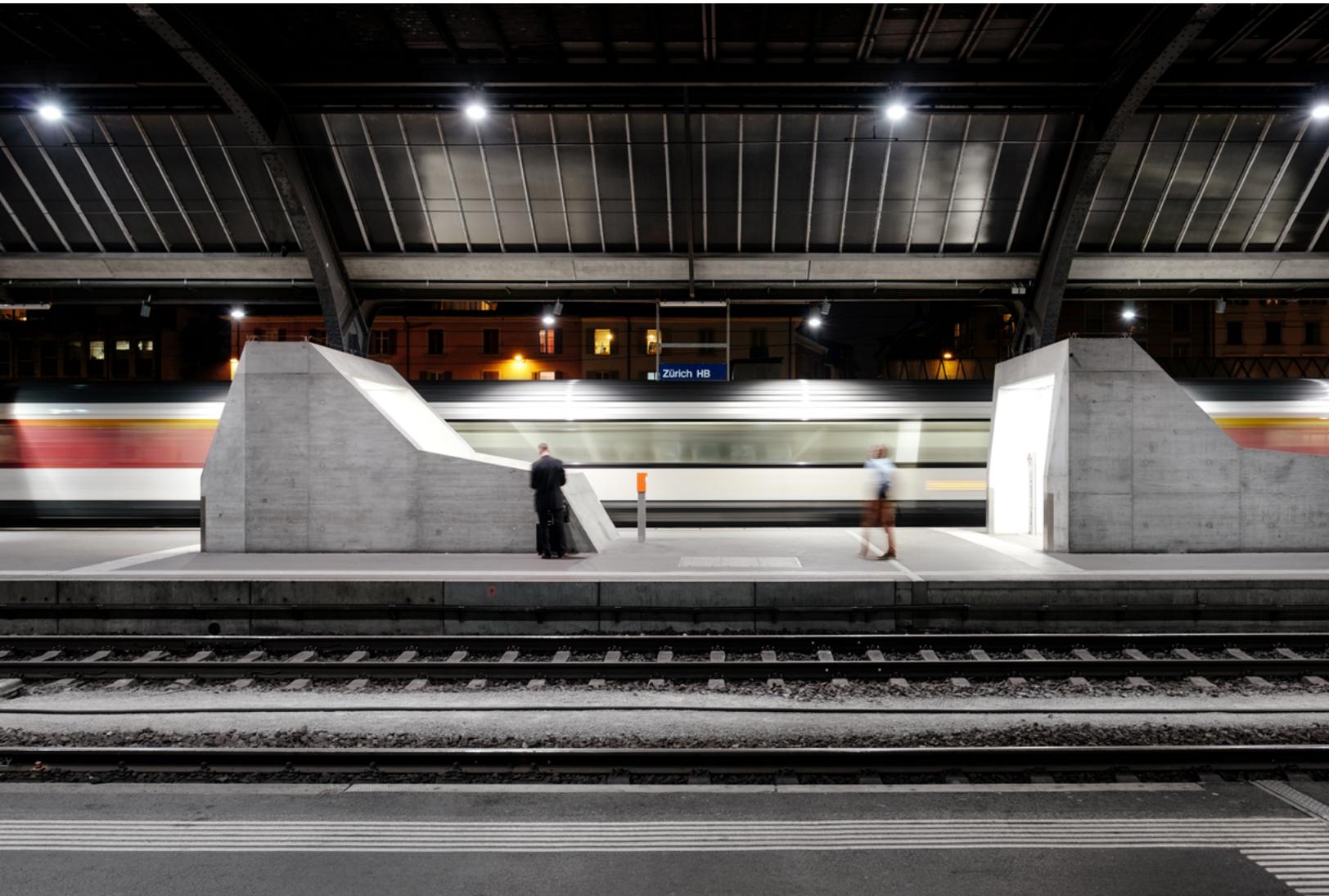
Turkish Airlines is an example of a travel company that carefully studied the tastes and preferences of U.S. business travelers in designing its own loyalty program. “Across the board for all U.S. travelers, the top five rated elements for participation in loyalty programs are 1) reduced prices or free tickets, 2) option of an upgrade, 3) prioritization in boarding, 4) access to airport lounges, and 5) increased baggage allowances,” said Dorman.

“There are, however, some nuances between travelers,” he noted. “We know that business-class passengers are the most likely to use frequent flyer points, so creating a loyalty program that recognizes the frictionless acquisition and application of points is key to any great loyalty program.”

Dorman went on to add a few insights related to specific consumer segments within the business traveler sector, noting that “...discounted tickets and free flight options are especially important loyalty element for economy-class passengers, whereas some travelers are looking for upgrade options, increased baggage allowance, and special prices for their most frequently traveled destinations.”

Each of these insights were critical in the creation of the company’s loyalty offering for business travelers. “When designing our loyalty program for business travelers, we factored in these key elements to create Turkish Airlines Corporate Club,” said Dorman. “Benefits include exclusive upfront discounts, special baggage allowance, free tickets and upgrades when reaching an annual quota, flexibility of changes/cancellations without penalty, and access to award-winning business-class lounges.”

Q&A SECTION



In addition to gathering survey data directly from travelers, Skift also interviewed a number of business travel stakeholders to gauge their opinions on the key trends shaping the sector in 2018. These include further conversations with executives from Turkish Airlines, executives from two leading U.S. travel management companies, Egencia and American Express Global Business Travel, and two seasoned road warriors offering insight into the realities of international travel.

Q&A WITH MERT DORMAN, SVP, CORPORATE MARKETING & DISTRIBUTION CHANNELS, TURKISH AIRLINES

Skift: How does Turkish Airlines think business traveler preferences have evolved over the past two years? And what changes do you see on the horizon?

Mert Dorman: Until the last few years, corporate travel has been relatively slow to evolve. Recently, however, we've begun to see a lot of changes happening with the help of technological advancements.

For example, big data will change the way we analyze information to make smarter travel policy and buying decisions. The majority of the world's data has been created in the past few years, and we are now developing the ability to manage all this data to understand traveler preferences.

As the world gets more sophisticated in the identification and analysis of big data, it will create the ability to provide more customization that will focus on individual needs of travelers like never before. As an industry, we will need to be more creative in finding ways to personalize the flight experience to the specific needs of business travelers.

How do you think Turkish Airlines' products and services are solving the evolving needs of today's business travelers?

There was a time when travel companies were intensely focused on their own "silo" – whether it be airlift, accommodation, transport, or other services – and making the best experience possible for their core product. As access, availability, and instant gratification have permeated the daily experiences of the business community while in their home city or office, it has become an expectation to have a similar level of frictionless accessibility at all stages of their travel journey.

When there is any friction in that process, regardless of whether it is considered within a company's realm of responsibility, it negatively affects the overall experience and, therefore, the overall brand offering.

For example, getting passengers from their home or hotel to the airport, and vice versa, is not traditionally considered an airline's main focus. But understanding how that door-to-door process can be either seamless or stressful and negatively or positively affect the overall experience, led us to develop our "Exclusive Drive" product, which gives business-class travelers access to a chauffeur-driven, luxury vehicle for transport to and from the airport in both their home and destination cities.



Mert Dorman,
SVP, Corporate Marketing & Distribution
Channels, Turkish Airlines

Turkish Airlines is not a taxi company or hotel company, but we have focused on creating products and services beyond our core expertise that make the overall experience as frictionless as possible to solve the evolving needs and expectations of today's business traveler.

What does Turkish Airlines think is the most important service feature or amenity an airline can offer business travelers when they take international flights?

Not all travelers are created equal. The most important thing an airline can do is to recognize that regardless of research, focus groups, and best practices, our passengers are individual personalities with their own ideas of what the most important service feature or amenity is for them.

For example, our research shows that business travelers place extreme importance on sleep comfort. Logic dictates that we develop new sleeping sets for business-class full-flat cabins. And that is exactly what we are doing. Business-class seating has been specially designed to take passenger comfort to the highest level, with fully lie-flat seats that open into a 188 cm bed, in-chair massage, reading lamp, power supply, and the option to screen off passengers' own private area.

If we were to focus only on providing a premium experience in one of the most popular feature categories, however, we wouldn't develop less common in-flight amenities, like Molton Brown lavatory cosmetics, Christian Lacroix amenity kits, or dining by candlelight. Some amenities might be considered a standard feature, like active noise-canceling headphones, or even obscure or unnoticed, like living gardens in the bathrooms.

But these are important to someone, and the most important service an airline can provide is to recognize that all these features and amenities are equally important in pleasing all our passengers, not just the highest common denominator. As a result, we place equal importance on developing each different touchpoint with the same level of enthusiasm and quality we would for more visible elements like seating and in-flight entertainment.

Today's business traveler seems to want to connect with travel companies using lots of different tools like mobile, desktop, email, social media, and apps. How important is it for Turkish Airlines to offer different communication options for business travelers to reach the company?

Today's business traveler wants to connect with travel companies using a lot of different tools because they want a frictionless experience. If they do their daily business on mobile, they want to stay on that platform when connecting with different companies. Conversely, if a business traveler spends their days combing through a Rolodex and sending faxes, they may not necessarily want their communication to happen on social media.

At Turkish Airlines, we aim to remove any potential friction wherever it may arise, and communication with the company is certainly one of the main touchpoints where the potential for friction exists. A single traveler may not use all the tools available, but we need to be ready with an optimized experience for the singular tool important to them.

In the past two years, we have initiated a number of online services and applications for different parts of the journey, from check-in to boarding with platforms like Turkcell's BiP messaging. On Facebook Messenger, we offer all our services, such as flight inquiry, mile transactions, flight information, etc. We also have applications running on smart speakers like Amazon Alexa, Arcelik, Sihirbaz, and others for flight status updates, deals, and marketing campaigns.

With the airport maps feature added to our own mobile application, business travelers can easily find the places they wish to go, just as they do in the map applications they use in daily life – they can view their locations instantly and follow the route drawn toward their destination. The app also allows travelers to receive notifications on gate information, a map route to the gate, and baggage tracking options.

We place such a great level of importance on seamless communications that we initiated our Open API Project to nurture an ecosystem available to freelance developers and business partners to create innovative solutions.

What new emerging technologies does Turkish Airlines think have the most potential to benefit the business traveler journey?

Forty percent of passengers rank connectivity as a top three driver of airline choice, behind price and schedule. So, investing in emerging technologies that enable that connectivity will have an important impact on the business traveler journey.

As we expand our fleet, we choose new-generation, environmentally friendly aircraft fully equipped with new technological devices to meet the varying needs of passenger experience, comfort, and safety.

We are currently flying 74 broadband-connected aircraft, and are committed to 167 narrow-body line-fit aircraft, 60 wide-body line-fit aircraft, and retrofitting existing aircraft to develop an almost fully connected fleet by 2023.

Last year we launched the eXPhone service, which provides connectivity as an extension of Wi-Fi and live TV on Boeing B777 and Airbus A330 aircraft. It allows passengers to send text messages (excluding voice), check emails, and browse the internet (including social media platforms) on mobile phones. It is billed by passengers' mobile phone operators, and prices vary depending on their individual roaming contracts.

From 2018, we will be upgrading our current fleet's hardware to take better advantage of high-throughput satellites such as XTS (eXtreme Throughput Satellite). With the upgrades we are expecting much better connection quality over the Atlantic and the U.S. In the next 12 months, our aim is to enable gate-to-gate internet connectivity.

In 2018, Turkish Airlines partnered with Panasonic Avionics Corporation for inflight entertainment and connectivity (IFEC) solutions to be line-fit installed on 50 wide-bodied aircraft the airline has on order, and with options for a further 10.

The X-Series IFEC system offers bandwidth up to 20 times greater than previously available, enabling a host of next-generation inflight connectivity benefits from high-quality live television programming to fast internet, video streaming, in-flight mobile phone service, and greater bandwidth for crew applications.

It will be fitted on 25 Boeing 787-9s and 25 Airbus A350-900s. The first aircraft is due to be delivered to Turkish Airlines in June 2019.

Has Turkish Airlines experimented with any emerging technologies for passengers, and if so, what have the results been?

We set out on this journey with the motto of “continuous improvement and innovation.” We believe one of the most important factors in continually improving and innovating is research and development. Through our wholly-owned R&D subsidiary, Turkish Technic Inc., we are developing a number of technologies both in-house and in partnership with industry and university collaborators.

Under a strategic partnership between Turkish Technic Inc. (“In-Flight Entertainment SHOP”) and Havelan, we developed SKYFE – the first in-flight entertainment (IFE) system developed in Turkey with 100 percent Turkish engineering. Developed to serve media content to business-class customers on narrow-body aircraft not equipped with an IFE system, it is available for Boeing 737 and Airbus A320 aircraft.

SKYFE-W is an innovative approach allowing passengers to download applications from Google Play and the Apple Store to their own personal electronic devices (tablets, laptops, smart mobile phones) during preflight, and access a wireless entertainment system that provides audio and video on demand, a flight map, electronic publications, surveys, and other services during the flight.

SKYFE-T is available on flights where an IFE system is not available and provides an entertainment service to business-class passengers by providing high-resolution tablets preloaded with films, music, magazines, surveys, and more.

The SKYFE-T System, when used on an airplane with the wireless IFE System (SKYFE-W), will automatically connect to the existing server on the airplane for access to 1.8 terabytes of media content while at the same time providing access to maps and flight information such as altitude, speed, and exterior temperature.

And we are constantly in various stages of development for new or emerging technologies, like cabin RFID (radio-frequency identification), wired cabin entertainment systems, and Li-Fi data transfer using light, in partnership with Aselsan.

Turkish Technic Inc. has more than 100 international (87) and domestic (22) customers, including AerCap (U.S.), Air Berlin (Germany), Air France (France), Air India (India), Alitalia (Italy), Dubai Aerospace (UAE), Iberia (Spain), Kenya Airways (Kenya), KLM Royal Dutch Airlines (Netherlands), Qatar Airlines, Hi Fly (Portugal), Japan Transocean Air (Japan), Lufthansa (Germany), and Spice Jet (Switzerland), among others.

What role does Turkish Airlines think personalization should play in the choices business travelers make? Do you think they are more likely to purchase from a company that tries to personalize their travel experience?

One of the results of living in this transformative age is that people can personalize every part of their daily experience. No longer are people forced to watch what is on broadcast TV or listen to what is on the radio. They can simply tune out and access what is interesting to them online.

One of the last places where that has been more difficult for people to do is at 40,000 feet, where access is more limited.

Through our partnership with Panasonic, our in-flight entertainment will offer a unique integrated personalization service (IPS), which enables us to seamlessly recognize the travel preferences of guests and recommend content, services, and amenities that will enhance their experience both in flight and in their destination city.

Through this system, we leverage a custom-designed companion app that will enable passengers to securely pair their mobile device to the IFE system and personalize and enhance their entertainment experience through capabilities that include custom playlists and a “second screen” environment.

The technology allows us to personalize by seat class, route, device, language, and passenger data. This can allow Turkish Airlines to optimize promotions for a wide range of optional services, partnerships, loyalty programs, and paid advertising, all within a comprehensive passenger experience.

This will also include seamless delivery of live TV channels including Sport 24 and Sport 24 Extra, which offer live coverage of the world’s most popular sporting events; CNN International; Euronews; CNBC; NHK; Sky News Arabia; and BBC World News. The television service will also feature TRT World Turkish News Channel from Turkey’s national public broadcaster, TRT.

The new modem and connectivity solutions are an integral part of a third-generation network, which uses advanced satellites to cover all high-air-traffic areas across the globe with high-throughput and extreme-throughput spot beams and wide overlay beams.

This global, high-bandwidth connectivity will enable Turkish Airlines’ passengers to stay continually connected with personalized long-haul flights across all parts of its global network.

Q&A WITH VIRGINIE POUGET, HEAD OF GLOBAL CONSULTING, EGENCIA

Virginie Pouget brings more than 20 years of experience in hotel and corporate travel management to her role as head of global consulting for Egencia. Pouget helps not only small and medium-size enterprises but also global strategic companies identify opportunities within their travel programs to drive savings and increase efficiency through traditional consulting methodology as well as by introducing new levers and concepts.

Skift: In what ways are you seeing U.S. business travelers seeking and, increasingly, exercising more freedom and control over their end-to-end international travel experience?

Virginie Pouget: U.S. business travelers are expecting more options and flexibility not only in what they book but how they make and manage that booking. They expect the same online booking tool (OBT) functionality on their desktop to seamlessly carry over to their mobile devices. This is key when traveling internationally as there is a greater likelihood that they will have a layover at another airport before making it to their final destination. They need real-time access to their connection information so they are making the most efficient use of their travel time.

What dynamics and factors are making this so?

The people traveling for work are the same people who are used to sophisticated leisure travel tools. Business travelers expect to be able to book a hotel, cancel a car reservation, or purchase a rail ticket all in the same app.

Companies are trying to find the right balance between using an approval policy to ensure compliance and making it easier for travelers to quickly book their flight. Our recently released Egencia Travel Policy Insights: Global Air Edition shows that North American travelers have the most freedom when booking flights. Sixty-seven percent of travelers in the U.S. do not need approval and 50 percent have access to premium class when traveling internationally. Companies want their employees well rested so they can be more productive once they arrive.

The secondary dynamic driving this is generational. Millennials are more likely to comply with their company's travel policies and guidelines as they have entered the workforce at a later time. Enforcing new travel policies is more difficult to do when a company is primarily made up of Baby Boomers or Gen Xers as they have crystalized habits and have seen the evolution of their company's travel program and policy.

Do you see this creating tension and conflict with corporate travel managers?

Travel managers are working hard to achieve their organization's cost-savings goals, while trying to maintain a satisfactory level of traveler comfort. Travelers often have no real visibility into the financial impact related to even the most seemingly minor decisions.

Most complaints they receive are out of their control, which can be stressful. They are also tasked with educating travelers. That could be 50 employees at a small-to-midsize enterprise company or more than 3,000 at a publicly traded business.

What do travel managers need to do to align with business travelers?

Travel management companies need to provide clear and easy tools regrouping all necessary information matching company requirements as well as traveler expectations. Travel managers have the sensitive mission of fostering compliance amongst top management to set examples for the rest of the company. Egencia Consulting supports travel managers by providing communication kits on specific topics. We also offer the Travel Academy for new travel managers and arrangers to break down business travel basics, such as the main mechanisms of yield management. They can provide a solid foundation to help them answer travelers' questions.

Q&A WITH DAVID REIMER, SENIOR VICE PRESIDENT AND GENERAL MANAGER, NORTH AMERICA FOR AMERICAN EXPRESS GLOBAL BUSINESS TRAVEL

Skift asked David Reimer to comment on how corporate travel managers and travel management companies are currently positioned to best add value in each of the four stages of international travel.

Pre-Trip/Booking:

"With a view on savings as well as experience, this phase is where travel managers have an opportunity to add the most value, but also face challenges. A huge part of this is the content offered, and travel managers can greatly influence the travel experience by communicating and educating about the importance of booking with preferred in-program suppliers. On the duty of care front, we are seeing companies investing in siloed safety and security elements of the travel experience that are mostly reactive in nature. This is a less comprehensive approach, given that proactive strategies and services like prebooking tools that guard against unnecessary travel or travel that may compromise employees' safety can and should be incorporated into the pre-trip education, communication, and approval process."

In-Transit:

"This is where TMCs can be a resource to help travel managers increase value, because in-transit is typically where the most urgent and real-time assistance is needed. Traveler assistance tools, like GBT's Proactive Traveler Care, will offer proactive support and rebooking in real time when a traveler encounters a flight disruption. A travel manager can influence the experience in this space through the technologies and tools they pull in from their TMC and other partners."

In-Destination:

"Traveler needs that typically surface while at their destination, such as rebooking, are fairly commonplace for corporate travel programs. Ensuring that their travel program is connected to an effective duty of care and risk management program within their company is an area we see as providing both a challenge and an opportunity for travel managers to offer more value in their roles once their travelers are in-destination."

Loyalty:

"This is the area where we see travel managers face the largest compliance challenge, since traveler preference or loyalty to suppliers, such as airlines, can be very difficult to overcome. For example, Australians are likely partial to fly their flag carrier Qantas, but other airlines are the preferred carrier in their program. On the other hand, U.S.-based travelers have several home-based airlines to choose from and might want to continue flying the carrier they prefer for personal travel based on experience or loyalty program preference, not realizing the challenges that going with preference over policy presents to their travel manager. Travel managers should make every effort to include as much content as they can. Educating travelers about the benefits delivered by that content, which might not be immediately apparent to the traveler, helps encourage booking within policy."

THE ROAD WARRIOR PERSPECTIVE: Q&A WITH RAFAEL VILLANUEVA, SENIOR DIRECTOR OF INTERNATIONAL SALES, LAS VEGAS CONVENTION AND VISITORS AUTHORITY

Rafael Villanueva is senior director of international sales for the Las Vegas Convention and Visitors Authority (LVCVA), the official destination marketing organization of Las Vegas. In this role, Villanueva oversees all sales efforts by the organization's 13 international offices. He regularly attends foreign trade shows, sales missions, and events. In 2017, he spent 72 days, or one-fifth of the year, traveling outside the U.S. That was "light" for Villanueva, who shared his candid appraisal of the benefits and trials of international travel with Skift:

Skift: What are your chief concerns when selecting companies and services for your business travel?

Rafael Villanueva: We are in the business of getting people to travel to our destination, so it is important for us to travel to them to ask for the business. Accomplishing that goal is my number one priority, which means choosing the right time to travel and the right hotels and venues to help reach our clients. The main concern overall is making the best use of our company's resources. That includes selecting an airline for international business trips. For us, it is a combination of price and shortest routes, getting us to where we have to be. If our staff spends too much time en route, they are not doing their job.

What current themes and trendlines do you see impacting international travel?

Accessibility, safety, and comfort. There are more international flight options today than ever before, making it easier for us to get to where we need to be. Unfortunately, security concerns, mostly for good reasons, have made the airport experience long and arduous. Delays, customs, connections, and layovers are compounding factors. Then you add the general lack of comfort and service, found mainly in U.S. carriers. All of which makes your decision where, when, and how to travel very important. I love being in-destination most, but getting there least.

How do your company's business travel tools compare with your personal travel tools?

We are fortunate to have a travel department that handles all our business travel needs. Except that unlike for my personal travel, I cannot access the department off-hours or on weekends. When you are multiple time-zones away, it's important from a comfort level to have round-the-clock access to managing travel. Mobile apps and chatbots are extremely valuable for getting notifications such as flight delays, gate changes, and weather issues, and dealing with problems while traveling. Access to customer service by phone is also very important.

How important is earning loyalty rewards for your business travel?

Very important, for several reasons. First, many offer early check-in or late check-out, handy when flight options are limited. Second, this is probably the only perk the individual traveler gets. If the hotel or airline messes things up, the resulting discount only benefits your company, as they would have paid for it. Travel is fun but strenuous, so any special status or treatment, such as shorter check-in lines, lounge access, or upgrades, is a plus. Ease of award redemption is critical – why earn them if they make you jump through hoops to redeem them? I would rather them make them harder to earn and easier to redeem. Personalization and consistency are also important. It's an advantage when providers know you and your needs – and what you paid for.

COLOR COMMENTARY: Q&A WITH GLENN HAUSSMAN, HOST OF TRAVEL INDUSTRY PODCAST “NO VACANCY” AND EXPERT IN TRAVEL AND HOSPITALITY TRENDS

Host of popular travel industry podcast No Vacancy, Long Island, N.Y.-based Glenn Hausman is a renowned speaker, writer and consultant, with two-plus decades of deep entrenchment in travel and hospitality. Flying internationally up to ten times a year to present at multi-day or week-long conferences and symposia, Hausman enhanced the Skift survey feedback with his own seasoned view of taking to the skies.

Skift: What do you see as dominant themes and trends in international business travel?

Glenn Haussman: Personally, overseas journeys are fine, largely because I control my experience with factors such as airline status and choosing strategic times to fly to avoid unnecessary crowds. But I am growing concerned about the fits of nationalism around the world. The move toward isolationist impulses is creating a perception in places that outsiders are not welcome, and people can easily interpret this as a personal safety issue. We may see a slowdown in international travel.

What dictates your choice of suppliers and services for your international travel?

Accomplishing my business goals – why I travel in the first place. Comfort, convenience, and ease are also essentials. Everything I do regarding travel must complement me being awake, alert, and in the zone for all business-related activities. Eliminating unnecessary hardship simply makes sense, and when you have your systems in place, travel becomes less hassle and more habitual and therefore instinctual. Personalized purchasing is becoming increasingly important to me. It's one of those things you never knew you needed until you had it happen. Then you immediately appreciate not having to make the same requests over and over and having experiences immediately match your travel preferences and requirements.

Which in-flight amenities are most important to you when selecting an airline for international business trips?

When traveling long distances, I need to rest and relax, and having a comfortable seat is priority one. Customer service is my number two. Having that comfort level of knowing I will be taken care of and safe should a problem arise is essential.

How do you feel about automated business travel services like software programs, kiosks and chatbots?

More comfortable and enjoyable as I continue to use these resources. Kiosks are terrific if talking to a person adds no value. Interacting with people upon deplaning after an overnight flight can be challenging. Automated solutions for purchasing a ticket, say, to get from Heathrow to downtown London and then check-in at the hotel are great. Chatbots via text messaging at hotels can be valuable for housekeeping items and avoiding potential language barriers or small talk via phone. The AI behind them is solid. While wary of using this method for booking trips, I expect the technology and adoption will become standard over time. It can be spooky when the machine knows me better than myself. I like, for example, that my airline of choice will automatically rebook me and take care of me if I have a cancellation. It just happens. I'd welcome that in other aspects of the business travel experience, such as automatically suggesting restaurants when I travel to a new city.

What tools are most important to you for staying in touch while traveling?

I do not care what technology I use to connect with you, but when I need to get in touch, I better be able to do it easily. Typically, I go straight to a person for help, but if travel companies made me feel more confident they'd respond in other ways immediately, I'd be open to communicating through other channels.

LOOKING AHEAD: FINDING BALANCE BETWEEN CORPORATE CONTROL AND TRAVELER NEEDS



Three overarching questions drove the 2018 Skift Global Business Traveler Report. First, to understand how U.S.-based corporate travel managers, travel management companies, and the U.S. corporate travelers they serve prioritize and manage common critical elements of international travel. Then, to see in what areas and to what extent these constituencies are in alignment with one another. Last but not least, the report attempted to understand how prevailing differences between these different groups may hinder achieving business goals and priorities.

As the survey revealed, travel managers and employees are not aligned across each component of the four stages of international travel that we examined. Yet, the disconnects are not miles apart. That they are in a state of “tension” or “conflict” is not the case. Rather, achieving more harmony is a matter of addressing gaps and differences. Corporate travel managers and travel management companies are responsible for creating policies and procedures that follow financial, fiduciary, and other corporate dicta. With international travel, however, best intentions and plans can go awry before the employee even reaches the airport. For their efficiency and convenience, and above all for their safety, the rules therefore need some elasticity.

How to appropriately close the gap and find the right balance? David Reimer, SVP and GM, North America for American Express Global Business Travel, offered this comprehensive set of corrective and aligning measures:

“Travel managers have a really challenging job in today’s environment. But the role of travel managers and TMCs has never been more important, given the complex global environment we’re sending our travelers out into. In this environment, the travel manager’s core challenge becomes, how do you and your company balance traveler needs and preferences with corporate interests and priorities? It seems like an impossible task, but there are several ways that travel managers can ‘close the gap.’

Communication is imperative to successfully implementing a travel-centric approach into your travel program. There is always more room for education and open dialogue with travelers and stakeholders to help build a more successful program. Don’t implement what you think business travelers need – seek out feedback and discover what you know they want.

There is also a great opportunity via technology to better personalize traveler experiences, ease anxieties about security and simultaneously encourage compliance. TMCs can be invaluable partners in delivering simple, aggregated, and transparent access to all content through consumerized channels that still satisfy corporate needs. Travel managers should seek out vendors – tech and otherwise – that can rapidly introduce tools that will enhance the traveler experience. Simple things like chatbots and effective messaging tools can go a long way.

Travel managers should embrace flexibility, but don’t lose sight of the ultimate goal. At the end of the day, customer-centricity does not mean providing flexibility to the point of it being a detriment to your bottom line. It is about creating a policy that improves the traveler experience while maintaining a focus on what is important – getting travelers home safely and on time. Compliance will naturally accompany such benefits and tension points can be turned into opportunities to drive more value.”

KEY CORPORATE TRAVEL TAKEAWAYS FOR 2018

Employees are taking control over their business travel

Increasingly self-reliant on mobile technology and personalized tools in planning and managing personal travel, corporate travelers increasingly want the same freedom and flexibility for their professional trips. Showing no signs of slowing, this macro trend of consumerized business travel is irresistibly shifting travel management trends and policy.

A new partnership model for managers and travelers

Disruptive new technologies and other resources are emboldening employees to be more assertive in their travel planning and decisions, including stepping outside of company policy. Rather than looking to fit this new reality into existing policy norms, travel managers have the opportunity to architect flexible new frameworks that protect company objectives while providing employees with the freedom they desire.

The frontiers for technology-supported travel are expanding

Corporate travelers are not quite ready to go full-tech. While embracing automated and digital solutions for basics like checking travel details and checking in for flights and hotels, they still want live, real-time human support for more advanced or urgent needs and concerns. As use and acceptance of improving chatbot, artificial intelligence, and other next-generation technologies grows, however, greater traveler dependence on tech is foreseeable.

Sharing is heading into the mainstream

The disruptive power of the “sharing economy” cannot be ignored, as business travelers increasingly embrace the alternative transportation and lodging options offered by leading players like Uber, Lyft and Airbnb. With major corporations and travel management companies beginning to formalize their relationships with these operators, CTMs, along with the taxi and rental car industries, will face a mix of new opportunities and challenges.

A deeper understanding of loyalty

Business travelers are rethinking and reassessing why they should be loyal to travel industry suppliers and brands. Among the ties that bind: a deeper understanding of their priorities and preferences, and personalized, customized rewards. For brands, it's a prime opportunity to listen to the corporate customer and evolve new ways to strengthen and further relationships in this important segment.

FURTHER READING

“GBTA BTI™ Outlook – Annual Global Report & Forecast,” July 2017.

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“Don’t Mistake Habit For Loyalty: 5 Trends Driving Loyalty Programs That Create Customers For Life,” Forbes, March 2018.

“The Transformation of the Travel Manager’s Role,” Global Business Travel Association and Sabre Corporation, April 2015.

“Traveler 360°,” American Express Global Business Travel and GfK, July 2018.

“The Digital Business Traveler: A Survey of Business Travelers in North America, Germany, Italy, Spain, and the Nordic Countries,” Global Business Travel Association Foundation and Sabre Corporation, June 2016.

ABOUT TURKISH AIRLINES

TURKISH AIRLINES CORPORATE CLUB

Where Business Meets Benefits

Flying to more countries and international destinations than any other airline in the world, Turkish Airlines has a network of more than 300 destinations in 122 countries on five continents, with an ever-expanding and one of the youngest fleets of the world that currently consists of 325 aircraft. Turkish Airlines Corporate Club is the best way for business travelers to access the world's largest flight network through a centrally-located hub at the crossroads of Europe, Asia, and Africa.



The Corporate Club provides a seamless door-to-door experience to more than 40 countries in less than 3 hours from Istanbul, while offering direct connections to 8 countries and 17 cities in the Americas, including New York, Los Angeles, Houston, Chicago, Washington, Boston, San Francisco, Miami, Atlanta, Toronto, Montreal, Buenos Aires, Sao Paulo, Bogota, Panama, Caracas, and Havana.

By combining one of the widest flight networks of the world with one of its most extensive corporate frequent flyer programs, the Corporate Club is designed to solve business travelers' needs with benefits including exclusive upfront discounts, special baggage allowance, free tickets and upgrades when reaching an annual target, no penalties applied when not reaching targets, flexibility of changes/cancellations without penalty, access to award winning business class lounges, and a special help desk exclusively for Corporate Club members and Travel Management Companies.

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SkiftX is Skift's in-house content marketing studio, working collaboratively with partners like Mastercard, Hyatt, Adobe, Lyft, Airbnb, and many more on custom projects to engage the world's largest audience of travel influencers and decision makers.

Visit skiftx.com to learn more or email at skiftx@skift.com

Carolyn Kremins
President, Skift
ck@skift.com
212-564-5830