

Booking Tools and Technologies

One size does not fit all

June 2019



Foreword



As an industry, we've known for many years now that while corporate travel booking adds layers of complexity on top of the way unmanaged and leisure travel is booked, business travellers demand a consumer experience when using OBTs.

Those layers – bespoke configurations for corporate policies, reporting, preferred suppliers, special negotiated rates, integration with expense management systems – create real challenges for providers striving to emulate and even surpass the user experience of consumer tools.

While the challenge is real, it's not an excuse: we need to invest, innovate and collaborate – and we are. Travel managers and their partners understand the need to put the modern business traveller centre stage and in the spotlight. For a travel programme to be successful, travellers need to understand what it's for, how it works and why it's good for them and their business.

Our goal should be more than to simply mitigate the challenges of online corporate booking, but to use the value of an integrated corporate travel programme to surpass the experience offered in consumer travel. The very real challenges of complexity can be overcome with all the data and channels available in business travel. When you view travel booking as part of an integrated experience across channels and not an isolated online transaction, we break free from the typical constraints and innovate with the traveller at the core.

GBT has worked with ACTE on this research to gain valuable insights from travel managers whose responsibilities vary in size and scope, about their issues, concerns and objectives around online booking.

Those managers are the people closest to traveller feedback and engagement, so it pays to explore their perspectives on key areas including user experience, content, online adoption, compliance and leakage.

I hope you find the results and analysis in this report useful, as we continue to work with partners across the travel management ecosystem to empower travellers to drive success in their organisations.

Evan Konwiser

Vice President

American Express Global Business Travel

Introduction



The corporate travel world has transformed in recent years. Thanks in part to the consumerisation of IT, which has driven innovation in all areas of enterprise technology, online booking tools (OBTs) are widely used by business travellers who expect a similar user experience to those offered by popular consumer-facing platforms.

The rise in adoption of online booking shows a real appetite among modern business travellers to book flights, accommodations, transfers and other business travel services through an easy-to-use online portal. But what exactly do today's corporate travel managers and bookers need from OBTs and other booking technologies – and are they meeting expectations?

This bespoke study, conducted by ACTE in collaboration with American Express Global Business Travel (GBT) and based on a survey of 202 business travel managers, looks at current trends in corporate travel booking to answer some fundamental questions about the current state of booking technologies, including:

- **Business travel in 2019:** how many trips are frequent and moderate corporate travellers taking each year, and what channels are they using to book travel?
- **Booking tool compliance:** adoption of OBTs has increased significantly in recent years – but are they working for businesses and travellers? How are users taking to the technology?
- **Booking tools: are we satisfied?:** what are businesses' current challenges and opportunities associated with user adoption of OBTs – and what can be done to address issues?

Fitzgerald Draper
Research Director
ACTE Global

Business Travel in 2019

Travel managers and bookers are using a range of communication channels, tools and technologies. The most widely adopted booking methods are OBTs (86%), phone (83%) and email (70%).

Who isn't using an OBT?

Less than 14% of companies do not offer an OBT for their business travellers, opting instead to book directly with suppliers and their travel management company (TMC). Of these companies, almost 72% have plans to add an OBT in the future.

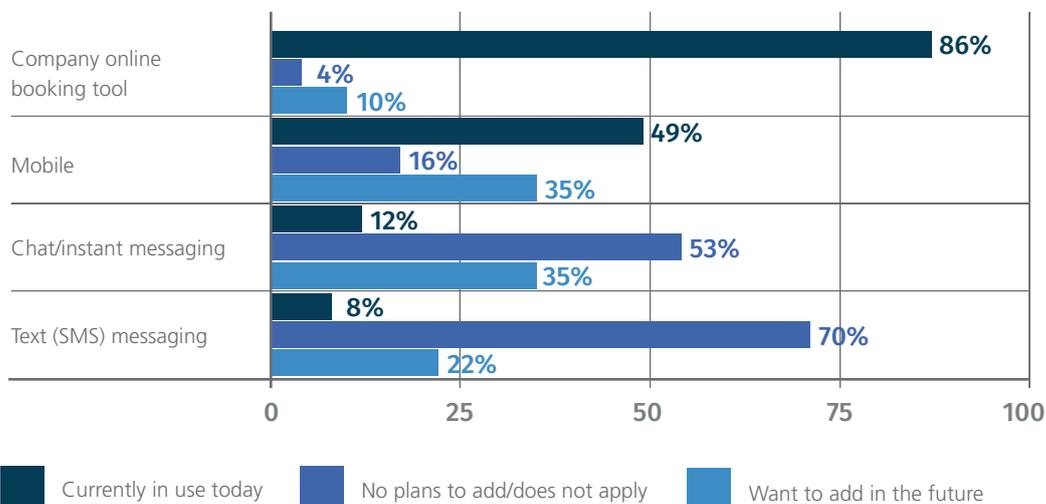
The majority of those not using an OBT (65%) have a total travel spend of less than \$10 million USD annually, indicating the lower volume programmes may be challenged to find tools that work for their travellers. More than half of the companies that do not have an OBT report they would be likely to consider a technology platform that provides trip recommendations based on corporate and traveller preferences, accessible through all channels.

Importance of Traveller Technologies

Bigger spenders (with an annual travel budget of \$10-50 million) were 14% more likely to see travellers search and book through channels outside of their OBT. They are also the most inclined to prefer speaking to a travel counsellor on the phone and showed the least confidence in the options being shown through their OBT.

Provision of booking tools and technologies continue to evolve: while only 11% of respondents state they currently offer chat and instant message (IM) channels, more than a third (35%) plan to add them in the future, reflecting a desire to keep pace with consumer retail trends. Unsurprisingly, with general SMS usage waning in favour of online messaging services, more than 70% of businesses say they neither offer SMS booking nor do they plan to in the future (see chart 1.1).

1.1 How do your travellers or travel arrangers book their business trips today and what would you like to add in the future?



Booking Tool Compliance

With 80% of businesses reporting it's important all booking channels are integrated (41% citing extremely important), the majority of companies (92%) have already adopted OBTs. This demonstrates an appetite to streamline travel booking processes into one platform and drive greater efficiency, cost-savings and improved user experience amongst bookers.

OBT Adoption

Businesses with higher numbers of frequent travellers (see side box) are almost twice as likely to believe access to a single platform is important (at 60% vs 33% of those with mostly infrequent travellers'), suggesting that higher volumes drive greater need for integration.

Despite 81% of businesses saying they have a mandate in place requiring travellers to book through company tools, only a little more than half (59%) say OBT adoption is 70% or greater. Fewer than 5% of travel managers surveyed claim full adoption, while 5% said only one in ten employees use the OBT.

Traveller frequency

Annual trips

Frequent:	25+
Moderate:	16-25
Occasional:	6-15
Infrequent:	1-5

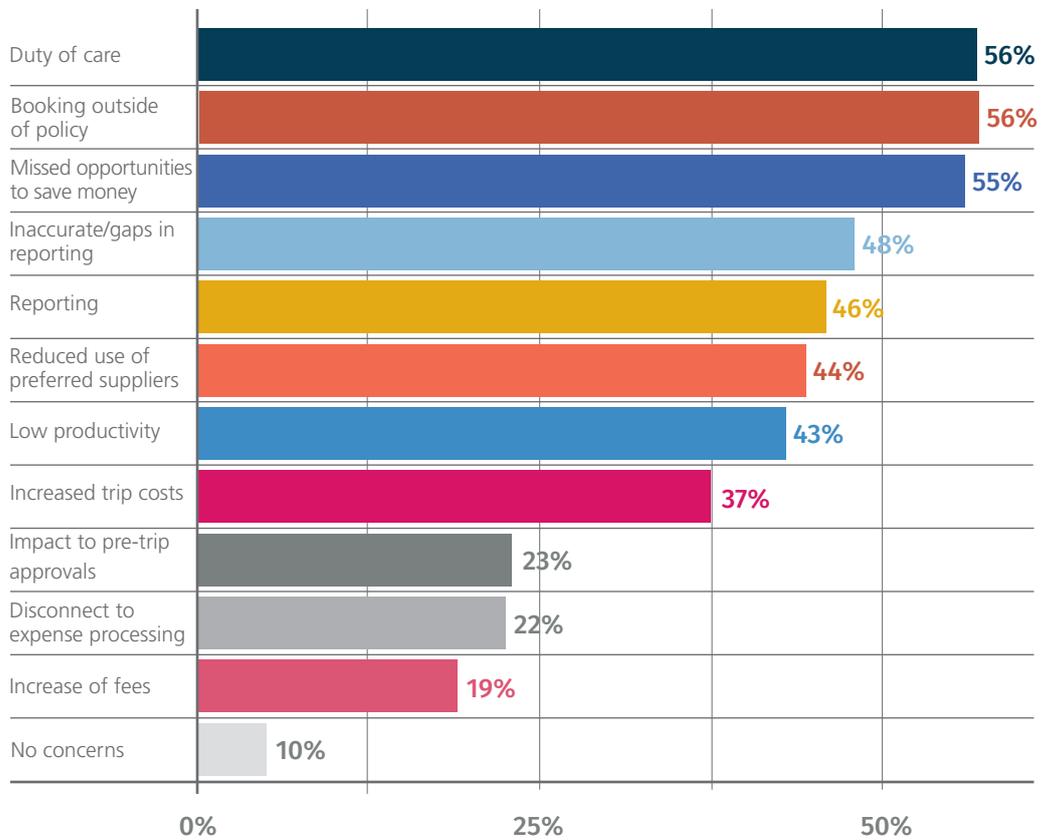
"[It's] difficult to book certain flights the day before a trip with the online tool and [we're] obliged to phone an agent."

Travel manager

Key Concerns of Non-Adoption

The data shows that travel managers are worried about low levels of OBT adoption, citing duty of care (56%), bookings outside of company policy (56%) and missed opportunities to save money (55%) as their biggest concerns. Travel managers know that employees making ad hoc bookings, outside of approved channels and often in breach of policy, can cause operational and financial issues and negate the multiple potential benefits offered by the OBT (see chart 2.1).

2.1 What concerns you most about your travellers not using your tools?



Booking Tools: Are We Satisfied?

We know OBTs have made a significant difference to the business travel booking process, but are they working for the travel managers and bookers that use them?

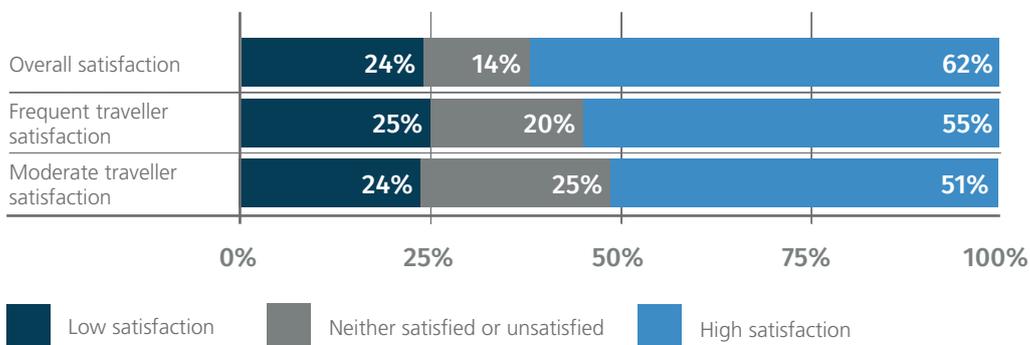
The good news is that, broadly, the answer is yes. With 10% of respondents saying they are extremely satisfied that their OBT meets the needs of their travellers, nearly half (43%) expressed moderate levels of satisfaction, rating themselves 4-5 on a scale of 1-7. Only 4% of respondents claim extreme dissatisfaction with their current OBT.

Travel managers with more frequent travellers report marginally higher satisfaction levels vs those with moderate travellers (55% vs 51% being moderately to extremely satisfied) (see chart 3.1). The likelihood is that frequent travellers accustomed to using OBTs are more familiar and comfortable with the platform.

When we asked respondents to rate various different OBT functions by importance, most (90%) said that being able to optimise the platform for company policy and company preferred options was moderately to extremely important. This is understandable; one of the core business drivers for centralising your travel booking onto one platform is the ability to increase adherence to company travel policy. However, it's perhaps telling that the lowest number of respondents (82%) said that optimisation for traveller preferences and experience was important.

While there's little doubt that user experience and general satisfaction levels are holding back OBT adoption, one major factor for businesses to consider is the clear need for regular internal education and communication related to OBTs. Less than half (47%) of businesses communicate regularly with employees about their booking tools, with 8% admitting it never happens – not even during induction. Regular refreshers and training encourage consistent usage of the tool and support lower-frequency users, which explains why business with more occasional and frequent travellers are more likely to communicate or educate employees about their OBT than those with moderate and frequent travellers (50% and 48% vs 30% and 38%).

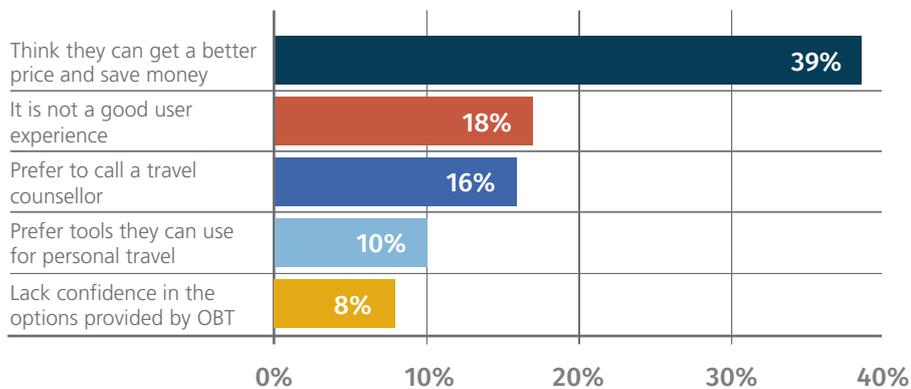
3.1 How satisfied are you and your travellers with your current OBT's ability to meet the travellers needs?



In the consumer sphere, travel booking has become a highly flexible, accessible and personalised experience. In this context, it's important that organisations pay traveller needs and expectations some heed. Employees who travel regularly for work may start to look elsewhere if they feel their organisation isn't interested in the quality of their travel experience. OBTs are typically highly customisable, and travel managers should work with travellers to support their needs – as well as the needs of the business.

With that said, 39% of travel managers report that the primary reason people do not book through the OBT, is a belief they can get a better price and save money elsewhere. Another 16% report an enduring preference for more traditional phone communication. Such perceptions need to be tackled head-on through communications and training, especially when delivering solutions for a multi-generational workforce, and when working closely with the business to understand how the OBT can better suit travellers' needs.

3.2 Top 5 reasons for non compliance



"[Our OBT needs to] get closer to the leisure market experience."

Travel manager, Europe (global travel spend <\$250m)

"What travellers see on the internet [should be] mirrored in the tool. We need to stop the complaints about impossibility to access the best rates with the corporate tool."

Travel manager, Europe (global travel spend \$100-250m)

Conclusion

Booking habits and expectations have changed significantly in recent years with the development of online and mobile shopping applications. This includes travel booking tools, the use of which has grown steadily worldwide.

The complexities of booking business travel – such as corporate policies and supplier agreements – have made it a challenge for the sector to keep up with consumer tools. Nonetheless, online adoption for corporate travel has been a major change for the industry. According to many travel managers, a poor user experience is a key obstacle to increasing adoption. This presents a very real opportunity to work with your TMC and OBT providers on enhancements and improvements to overcome user issues. Customisation is key when it comes to online booking tools and technology. One size does not fit all, so it is incumbent on travel managers and their partners to provide online booking tools that meet the needs of all users in the organisation.

Key Insights:

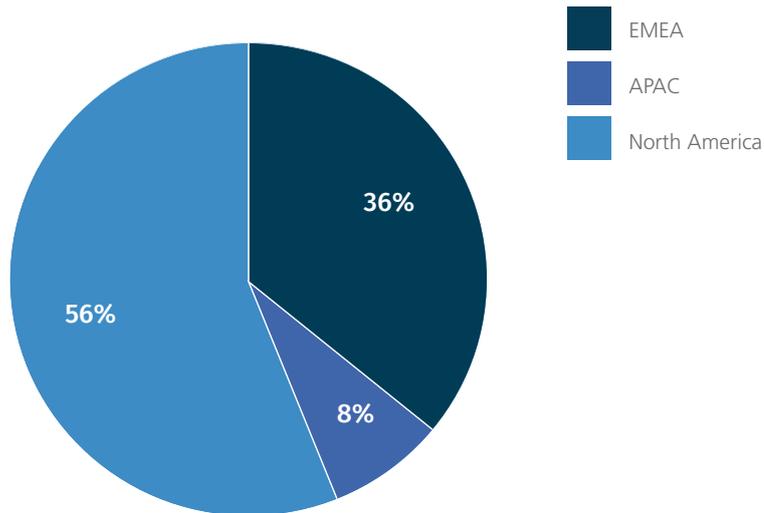
- Understand your travellers' needs, based on their frequency of travel by working with your partners and the travellers themselves; talk to your TMC and OBT about reporting and analysis available on abandoned transactions.
- Implement continuous feedback to stay ahead of developing requirements; consider surveys or focus groups for various types of users.
- Provide routine communication and training options to support various traveller types; determine whether or not your TMC or OBT offer a chat support functionality.
- Keep in touch with your partners and suppliers to suggest or learn about enhancements; customising the tool for the needs of your business requires your voice.

“Most of the platforms are similar. [I’m] waiting for a new age, modern platform with improved user experience and easy connectivity to external suppliers.”

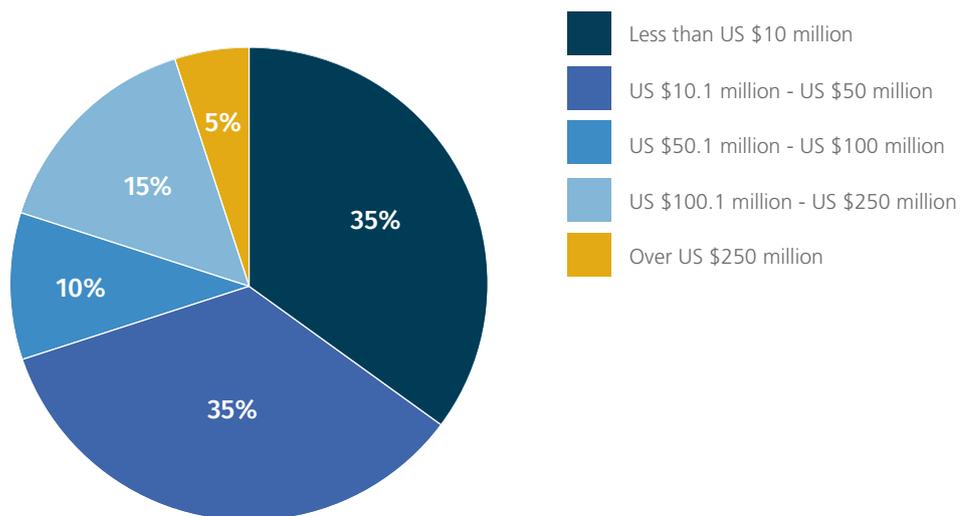
Travel manager, Europe (global travel spend \$10-\$50m)

To produce this report, ACTE surveyed 202 travel managers around the world via a combination of open-ended and multiple-choice questions.

Geographical location



Approximate total travel spend





About the Association of Corporate Travel Executives (ACTE)

The Association of Corporate Travel Executives (ACTE) has a 30-year reputation for leading the way corporate travel is conducted. As a global association comprised of executive-level members in more than 100 countries, ACTE pioneers educational and technological advances that make business travel productive, cost-effective and straightforward. ACTE advocacy and initiatives continue to support impactful changes in safety and security, privacy, duty of care and compliance along with traveller productivity that supports global commerce.

Learn more at www.acte.org.

About American Express Global Business Travel

American Express Global Business Travel (GBT) is the world's leading business partner for managed travel. We help companies and their employees prosper by making sure travellers are present where and when it matters. We keep global business moving with the powerful backing of 17,000 travel professionals in more than 140 countries. Companies of all sizes, and in all places, rely on GBT to provide travel management services, organize meetings and events and deliver business travel consulting.

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