



THE STATE OF CORPORATE T&E 2021: THE PATH TO RECOVERY

Presented by

Skift + **TripActions**

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safety**

**Cost
control**

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- **Judy Payne, Director of Meetings and Travel**

Fast becoming the default for corporate travel and expenses, TripActions is the leading, cloud-based T&E platform that combines industry-leading technology with best-in-class travel agency service. TripActions is trusted by 4,000+ companies globally to protect traveling employees while controlling costs and saving money. See a demo at <https://tripactions.com>

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ENTERPRISE EDITION

EXECUTIVE LETTER

Dear Corporate Travel Leader,

Corporate travel continues to experience its biggest challenges ever. Despite the obstacles, travel leaders have demonstrated their resiliency, perseverance and ability to adapt to rapidly changing conditions.

The biggest learning from 2020? You can no longer afford to accept the status quo of antiquated, legacy TMCs and T&E management tools that cannot adapt with you.

As you chart your organization's path to business and economic recovery, ensuring the health and safety of your employees and controlling costs are mission critical. Success depends on having the right data and insights to make decisions, paired with modern and flexible T&E management solutions that enable you to protect your employees while saving money.

Fast becoming the default for corporate travel and expense management, TripActions is trusted by 4,000+ organizations around the globe as the leading, cloud-based T&E platform that combines industry-leading technology with best-in-class travel agency service. TripActions is here to help your organization and employees get back to business travel safely and cost effectively, when ready.

We can't wait to see you again in person. Until then, enjoy your exclusive access to Skift's State of Corporate T&E 2021 Report, which provides insights into the move by organizations large and small to modern T&E management.

Danny Finkel
Chief Travel Officer
TripActions



Danny Finkel

EXECUTIVE SUMMARY

The corporate travel sector has never faced a challenge like Covid-19. Even as governments and organizations around the world race to finalize and distribute a vaccine, 2020 has left its mark on the business travel sector in significant ways, both large and small.

For those organizations with essential workers, 2020's most immediate concerns were how to most effectively design new travel policies, ensure traveler safety, offer more flexibility in terms of adjusting itineraries, and provide real-time information about risks to program managers.

But looking beyond the nuts and bolts of how business trips should happen during a pandemic, there are bigger questions emerging about how the entire sector should reorient itself for the new environment yet to come. After all, in a year when a significant portion of the corporate travel world stayed home, and a large portion of employees started to work remotely, many organizations now find themselves thinking more deeply about how best to utilize their business travel programs and expenditures moving forward.

While there's considerable consensus across the spectrum that face-to-face business travel interactions will never be replaced, there's new efforts being made by decision makers to use business travel programs more strategically to support company goals. What will a best-in-class travel program look like in 2021 and beyond? What are the biggest concerns of business travelers about returning to the road, and what will they need from trip providers to make their trips more comfortable?

Each of the themes above is explored in more detail in this latest edition of Skift and TripAction's annual forward-looking review of the corporate travel sector. This new report, which includes the results of a survey distributed to several hundred business travelers and travel managers around the world in mid-2020, is synthesized with additional interviews from business travel industry leaders and a roundup of the latest sector news to provide an assessment of how business travel will evolve in the years ahead.

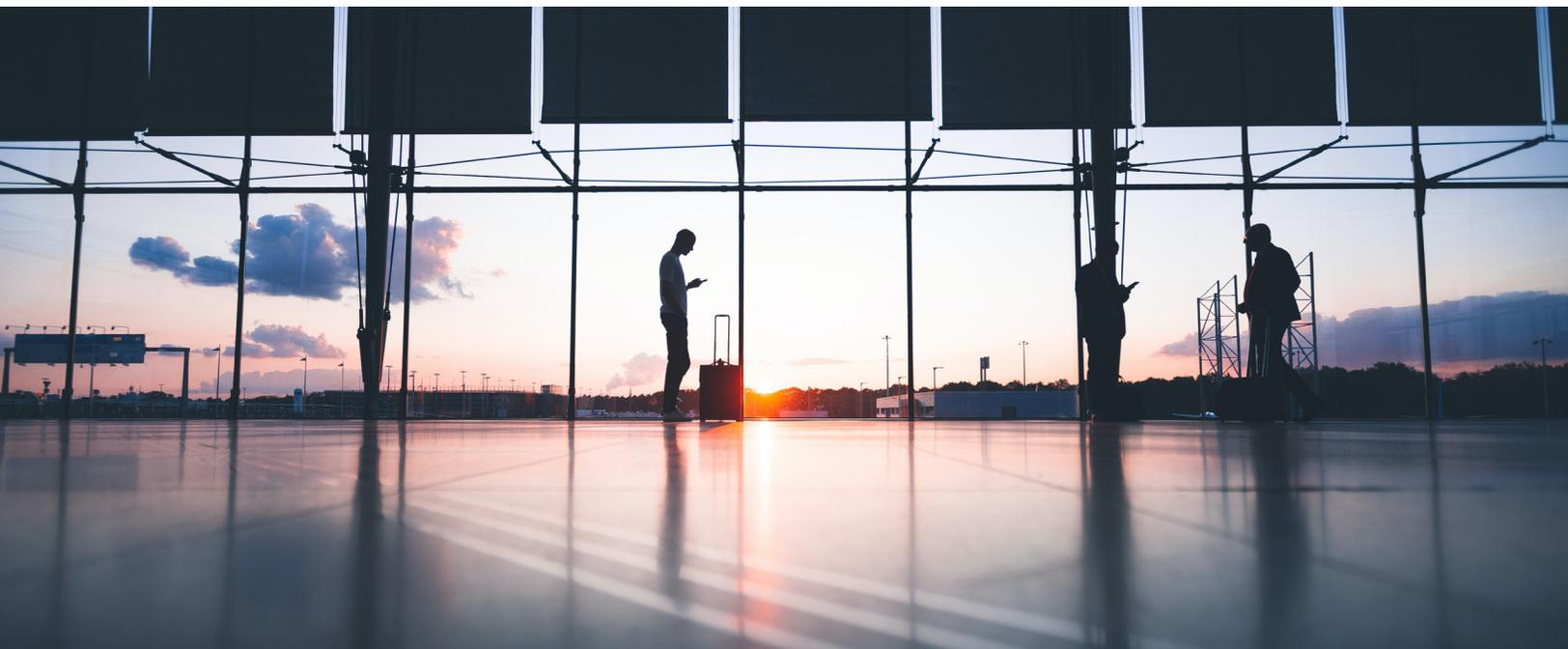


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ABOUT SKIFT

Skift is the largest industry intelligence platform providing media, insights, and marketing to key sectors of travel. Skift deciphers and defines trends for global CEOs and CMOs across the travel industry through a combination of news, research, conferences, and marketing services.

ABOUT SKIFTX

SkiftX is Skift's in-house content studio. SkiftX produced this report in partnership with TripActions.

MASTHEAD

Vice President, SkiftX / Katherine Townsend
Editorial Director, SkiftX / Lisa Omagari
Research Editor, SkiftX / Jeremy Kressmann
Designer / Joanna Gonzalez

INTRODUCTION



The corporate travel sector has never faced a challenge like Covid-19.

The rapid shutdown of work-related travel in 2020 has put a damper on the massive economic benefits the sector generates for the world economy. In a 2020 report on the state of business travel, consulting firm McKinsey noted that business travel spending worldwide, pre-Covid, accounted for more than \$1.4 trillion of economic activity annually.

But due to the continued health and economic challenges created by Covid-19, along with 2020 travel restrictions meant to slow the virus spread,

the industry faces a tough road to recovery. According to data [published by the Wall Street Journal](#) at the end of July 2020, itineraries purchased by corporations were down 97 percent from a year earlier.

Nevertheless, the headlines are offset by a growing resolve to get business travelers back on the road safely and cost-effectively to put the industry and business in general on a path to recovery. This resolve boils down to a simple truth: corporate travel is vital to the success of the economy. Fortunately, the industry is already starting to see organizations and travelers take to the skies, rails, and roads to build relationships, close deals, and spur recovery and growth.

“People getting together face-to-face is the only way, really, to achieve ultimate success in business,” said Dave Hilfman, executive director of the Global Business Travel Association (GBTA), in an August 2020 [interview with the BBC](#). “Many of my colleagues in the industry, be it on the corporate side, the travel side or supply side, they’re very anxious to get back out on the road again and see their customers and colleagues.”

The resolve to help corporate travel recover is also a reflection of the industry’s vital importance to worldwide economic activity and companies’ bottom lines. According to [calculations developed by Oxford Economics and the US Travel Association](#), for every dollar invested in business travel, a company can expect to receive an incremental return of \$12.50 in revenue.

Another factor shaping company decision-making around business travel is the simple fact that many organizations have made significant financial investments in travel programs, whether that’s in unused plane tickets or travel waivers accrued prior to the pandemic. Those organizations that think strategically about how to utilize these investments to help reboot their programs are likely to have a leg up on competitors as corporate travel continues to return.

But even beyond the simple economic calculations, there are a host of other trends shaping the current corporate travel environment, including the timing for business travel recovery and changing travel habits.

“A lot of companies are really thinking about the ‘why’ for business trips,” confirmed Danny Finkel, chief travel officer at TripActions.

Travel managers will need to stay abreast of these trends as the situation with Covid-19 and the economy progresses in order to make decisions

about when and how they restart their own travel programs. To do so, real-time data and actionable insights, paired with flexible travel and expense management tools will be mission-critical.

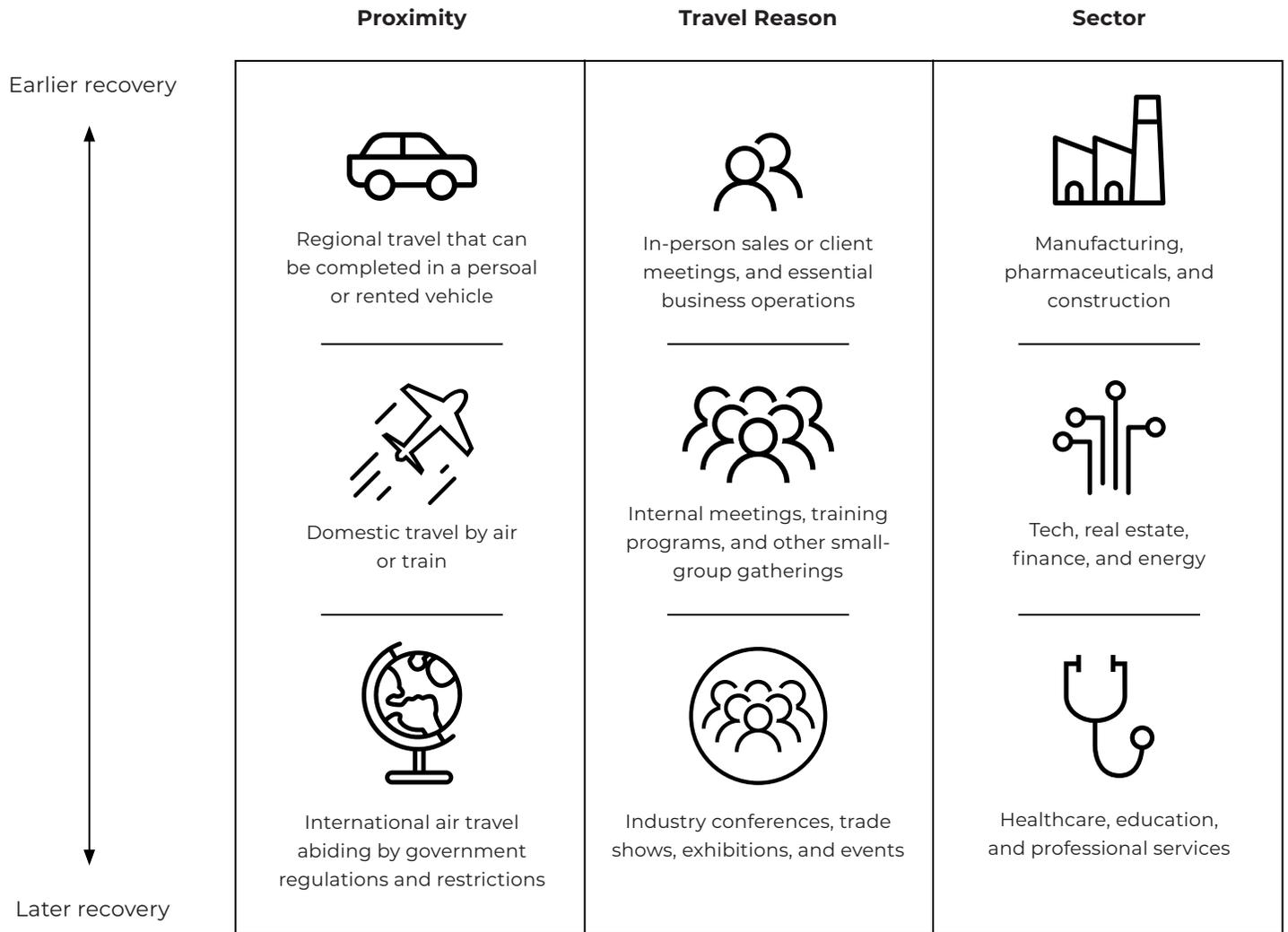
INDUSTRY RECOVERY OUTLOOK

The most salient question at the time of this report’s publication in late 2020 is: when will broader business travel activity resume en masse? The answer depends to a large degree on the geographic location of who is asking and who is traveling. In the U.S., the answer relies on how soon national, state, and local authorities can bring infection rates under control, even as leisure travelers take to the skies, rails and roads to escape months of quarantine. According to a July 2020 [GBTA survey of 2,000 organization members](#), 44 percent expected US domestic business travel to return “in the next two to three months.” Another one-third predicted it would take six to eight months.

Meanwhile, in other parts of the globe, business travel is starting a [slow but steady return to “normalcy.”](#) In New Zealand, for example, corporate travel is already back to 50 percent of 2019 domestic booking levels. The same is true for Chinese domestic booking, which stands at 60 percent of pre-pandemic levels. Another sign of confidence is a [recent purchase of 11 new planes](#) by China Southern Airlines, the country’s largest carrier.

Recovery will also depend on factors such as the industry sector of business travel, the reason for travel, and the geographic proximity of trips. As detailed in the chart below created by McKinsey, demand for regional and domestic business travel are likely to bounce back first, whereas international travel and conference-related journeys are likely to return to pre- Covid-19 levels more slowly.

Travel manager predictions for when various business travel activities will resume



Source: McKinsey, Interviews with travel managers conducted between June 22 and July 9, 2020

Yet another factor is the competitive nature of many industries. Continued outbreaks of the virus are likely to be a challenge in the near term. But once outbreaks start to stabilize, and relevant health and safety protocols have been put in place by governments, it's possible that the simple nature of competitive business dynamics will also help to drive recovery.

“What you’re going to probably see is a company that starts to travel, and they’re the ones that are actually closing the deals,” said TripActions’ Finkel. “And then you’re going to see another company that says, ‘Oh, wait. We were hesitant to dip our toe

into the travel pond, but we’re seeing our competitor actually gain market share because they’re actually visiting our customers, and the customers are actually having that personal connection.”

ADDRESSING CHANGING TRAVEL HABITS

Another question for corporate travel managers to consider is how to adapt their travel programs moving forward in response to the changing dynamics of Covid-19, the need for business travel, and the preferences of travelers.

“Everything that a travel manager does to deliver a managed travel program for their organization, every single part of it, be it the policy, the airline program, how they engage with travelers, how they communicate, the set parts of the program they need to deliver, every single one of those is fundamentally changed,” said Caroline Strachan, managing partner at travel and meetings consultancy Festive Road.

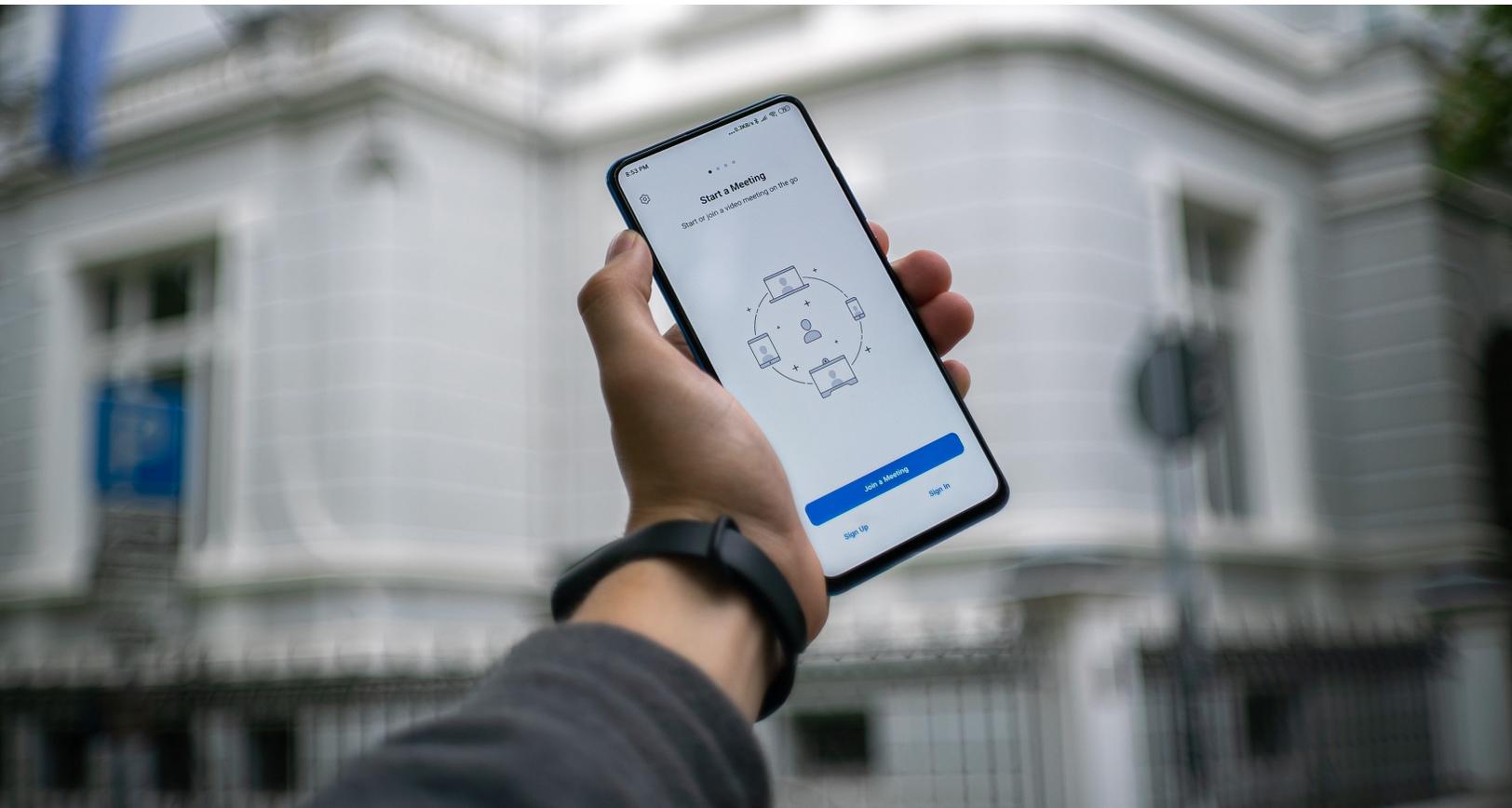
One example is the growing focus on travel and itinerary flexibility. In the face of shifting government policies and the uncertainty around a possible resurgence of the virus, companies and travelers are demanding more leniency from their agency partners and travel suppliers to adjust travel plans with minimal hassle or financial penalty. The most visible example of this shift was the decision by the [three biggest US airlines to eliminate flight change fees](#) in late August 2020.

Other shifts that travel managers are watching will focus on how business travelers book and plan their trips moving forward. After all, even though there

is evidence that Covid-19 is reshaping how and why travelers take trips for work, it seems premature to decide which changes are merely temporary and which will have lasting impact.

Consider, for example, the growing signs that [last-minute travel bookings are on the rise](#). Another habit that’s developed since the start of the pandemic is a tendency for frequent travelers to favor [itineraries that combine multiple meetings](#) rather than “single meeting” business trips.

Perhaps the biggest habit change worth investigating is how today’s [newly remote workforces will affect the volume and frequency of business travel](#) moving forward. Despite the conclusion that some may draw around remote work driving down the frequency of business travel, the reality of distributed teams suggests that the style of travel will simply change. Instead of traveling from the company headquarters, many will simply depart from their home turf. Company all-hands meetings will further add to the balance of business travel as well as meetings and events bookings.



“Necessary business travel is part of what we do. For myself, travel wise, it’s for visiting customers,” said Phil Perry, Zoom’s head of UK and Ireland. “You can conduct a lot of that business by video, but there’s still a connection element meeting people face to face that you cannot entirely replace in this way.”

“Some people really see the benefit of face-to-face, and they’re struggling right now,” said David Wieseneck, Vice president of finance at online marketplace letgo. “When things open up, they’re going to relish the ability to get back to face-to-face business, and I’m one of those people.”

Business travel is still likely to play a key role in remote organizations, particularly as a way to bring employees together and to foster a stronger sense of relationship building, camaraderie, and team cohesion.

Last but not least, there are growing signs that employee health and safety will play an even more important role in travel program decision-making moving forward. Keeping employees safe while traveling has always been paramount. But in the era of Covid-19, that responsibility is even greater. Today’s travel managers are weighing the pros and cons of sending travelers back out on the road. When is traveling for work essential and what new tools and policies are needed to better support this fluid environment?

One example of the work that’s been done to give travel managers and travelers confidence in the return of business travel is ensuring that teams have the real-time data and actionable insights of Covid-19 data—reproduction numbers, CDC ratings and local government regulations and restrictions at departure and arrival destinations—in the context of their travel programs and plans, respectively. Corporate travel and expense leader TripActions has integrated this information in its travel manager dashboard for program administrators to be able to quickly adapt policy based on the rapidly changing environment. Relevant safety information has also

been integrated into the booking flow and online itineraries for travelers. The data is available to the public in their [Business Travel Recovery app](#).

Another example of a business travel product that’s seeing increased interest to help mitigate Covid-19 risk is [travel insurance](#). “The insurance market is becoming more flexible,” said Ian Skuse, partner at law firm Blake Morgan, in a 2020 interview with Skift. For example, the ABTA Travel Sure policy, brokered with AXA, launched in July 2020 and specifically includes Covid-19 coverage. There is now also at least one other major insurer involved with the inclusion of Covid coverage. ♦



THE SKIFT AND TRIPACTIIONS 2021 CORPORATE T&E SURVEY

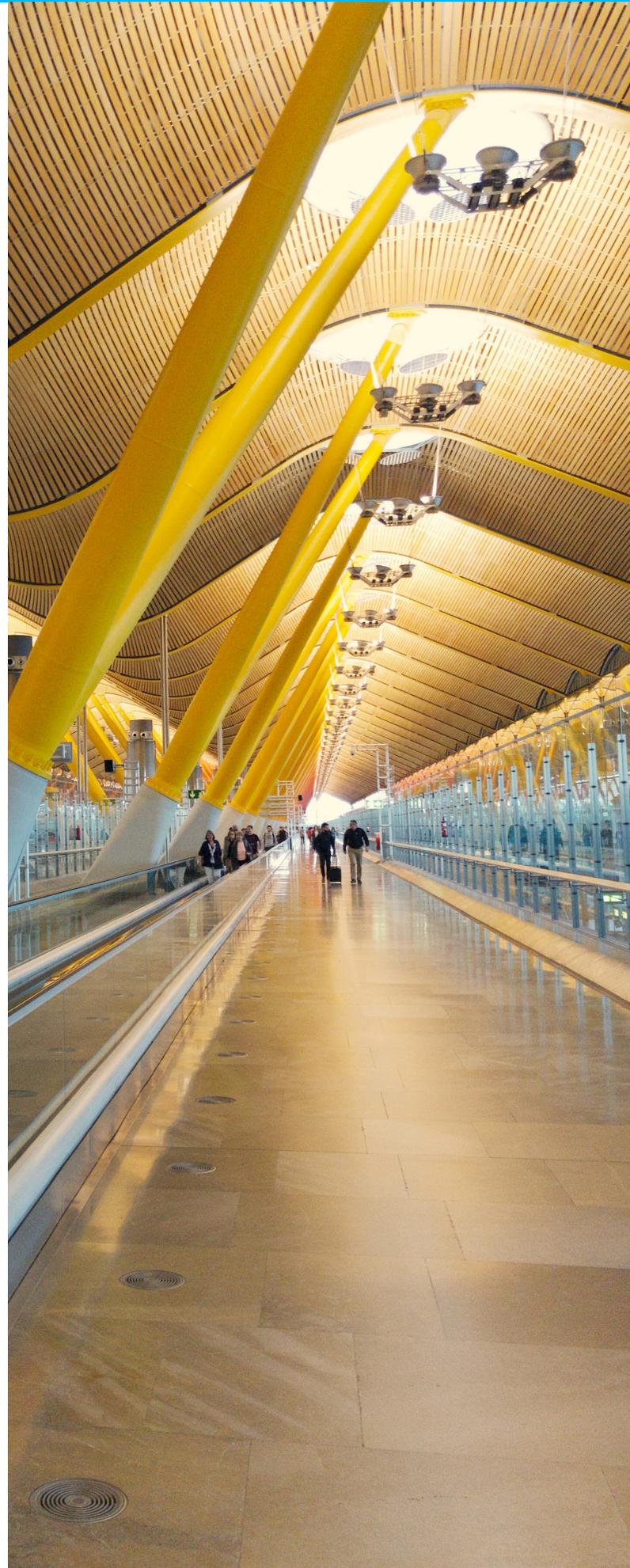


By now, it's clear that the business travel sector faces a challenge like no other period in its history. That's why the decisions made in 2020 by travel managers, along with corporate travel and expense (T&E) decision makers like finance, operations, human resource and risk leaders, are uniquely important. How these leaders choose to evolve their T&E programs in response to the economic shock of Covid-19 will have a significant impact on their success in charting their organization's paths to business and economic recovery.

It is in the middle of this epic moment that Skift and TripActions are releasing their annual survey investigating the forces shaping corporate T&E in the year ahead. Following a similar methodology as previous iterations of the report, Skift reached out to several hundred business travelers, corporate travel managers and corporate T&E leaders to understand their opinions about what the sector might look like over the next 12 months.

How was Covid-19 impacting their business travel spending? What changes to company policy did they predict they might need to make in response to the health and financial challenges posed by the virus? How might business travelers and their managers re-prioritize business travel perks in response to the pandemic and changing market conditions? Last but not least, what features did respondents consider to be most important when rating their corporate travel agency or booking platform?

In the sections that follow, Skift and TripActions analyze the results from this year's survey, offering new insight into the rapidly evolving corporate travel sector at a moment of not only significant change but incredible opportunity for travel and finance leaders. ♦



IMPACT OF COVID-19 AND PRIORITIZING BUSINESS TRAVEL



The pandemic has had a significant effect on corporate travel, forcing some tough decisions for many organizations about how and when to send employees back on the road. But as the last few months of 2020 have revealed, there is growing resolve to get employees back on the road when it is safe and financially viable to do so. This fact is underlined in the results below, which highlight not only the importance of business travel to company success, but also the extent to which business travel stakeholders are thinking about how to adapt their T&E programs for the new normal.

“You’ve got this period now [in 2020], but then what happens after Covid-19?,” said Festive Road’s

Strachan. “We think that will change. It won’t go back to what it was previously. It won’t go back to pre-Covid. We’re not even talking about volumes here, but the management practices won’t go back to what they were previously.”

One industry philosophy that has not been altered by the pandemic is the importance of corporate travel for company success, growth, and profitability. According to this year’s survey, the top reason for taking business trips is ultimately financial. Business travelers and managers both listed establishing business relationships, fostering existing relationships, and closing a deal as “very important” reasons for their trips (next page).

What are the primary reasons you travel for work? Please rank from: 1 (Very Unimportant Reason) to 5 (Very Important Reason)

Business Travelers

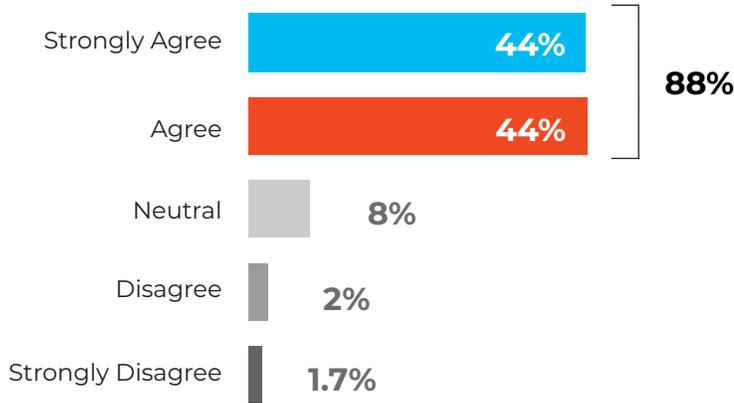
	1 - Very Unimportant	2 - Somewhat Unimportant	3 - Neutral	4 - Somewhat Important	5 - Very Important
Close a deal	22%	6%	11%	24%	38%
Establish new business relationships	10%	4%	4%	30%	53%
Foster established business relationships	9%	3%	7%	29%	53%
Gather my team in one place	19%	15%	24%	20%	23%
Meet with co-workers in other offices	17%	16%	15%	26%	26%
Attend conferences / events	6%	11%	9%	36%	39%

What are the primary reasons you travel for work? Please rank from: 1 (Very Unimportant Reason) to 5 (Very Important Reason)

Corporate Travel Managers

	1 - Very Unimportant	2 - Somewhat Unimportant	3 - Neutral	4 - Somewhat Important	5 - Very Important
Close a deal	8%	9%	7%	28%	49%
Establish new business relationships	7%	4%	9%	30%	50%
Foster established business relationships	7%	6%	10%	36%	42%
Gather my team in one place	14%	15%	20%	29%	22%
Meet with co-workers in other offices	19%	13%	22%	24%	22%
Attend conferences / events	6%	8%	14%	37%	35%

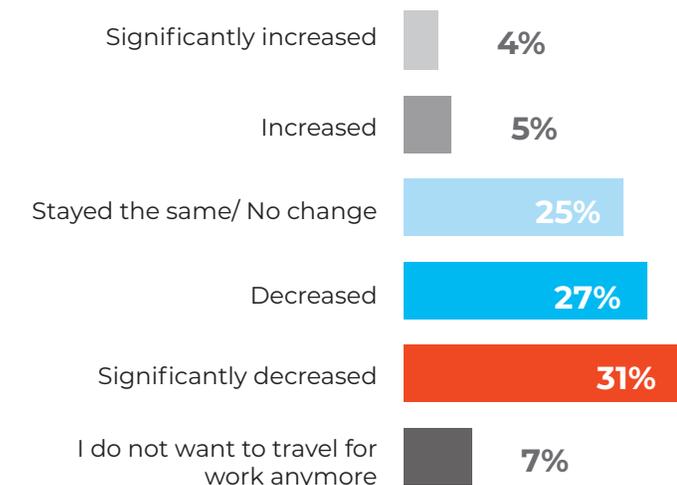
Agree or disagree: “Business travel is important for driving my company’s growth.”
Business Travelers



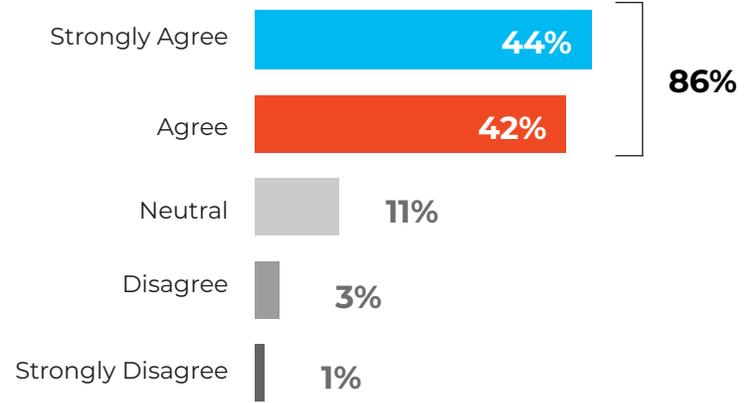
This year’s survey also sought to understand if Covid-19 was changing the importance that travelers and policy-makers placed on business travel. Do they still see business travel as an important company activity? And how is Covid-19 affecting their travel habits and future travel plans?

Business travelers and travel managers continue to agree that business travel is an essential function, despite the health risks created by Covid-19. More than 80 percent from both audiences strongly agreed or agreed that business travel was important to drive company growth (above).

Because of Covid-19, my desire to travel for work has:
Business Travelers

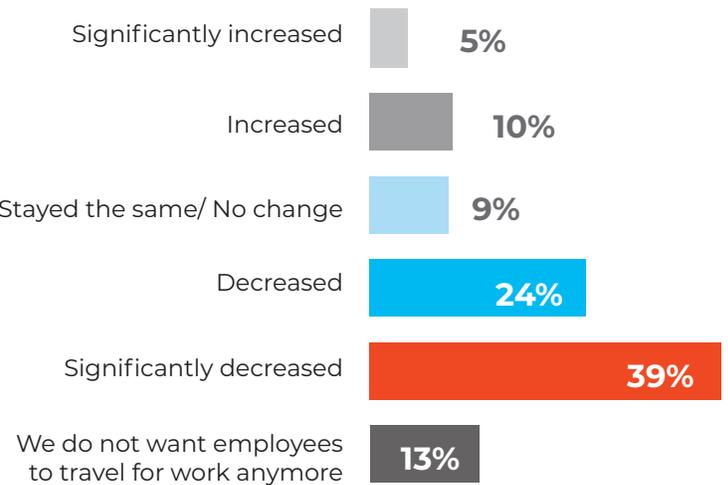


Agree or disagree: “Business travel is important for driving company growth.”
Travel Managers



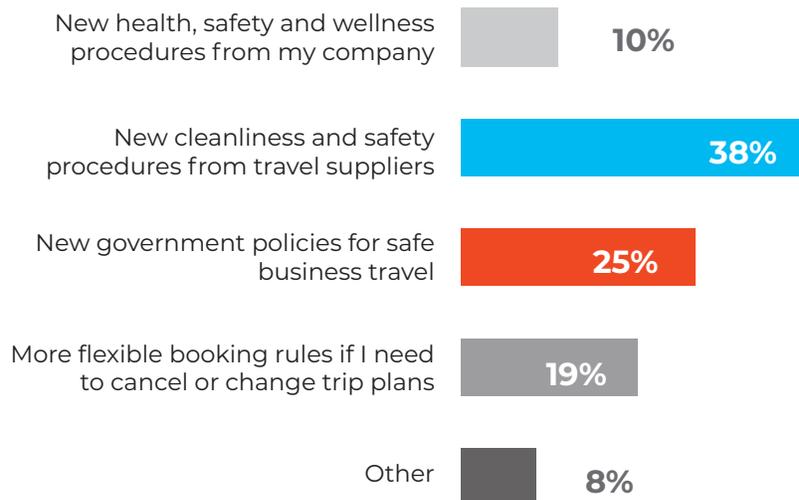
At the same time, Covid-19 is affecting current work-related travel habits. The willingness of employees to travel, at least in the short term, has been diminished. Fifty percent or more of business travelers and travel managers said their desire to travel has decreased or significantly decreased due to Covid-19 (below). The data suggests that much of the hard work needed right now will focus on how business travel suppliers, travel managers and booking platforms lay the groundwork for a safe return to work trips, including the provision of real-time data on the situation, and the enactment of new and enhanced safety and hygiene protocols.

Because of Covid-19, our company’s willingness to let employees travel for work has:
Travel Managers



Which of the following changes to business travel policies or procedures will be most important in order to feel comfortable about traveling for work?

Business Travelers



The most important next step for all of business travel's stakeholders (at least until an effective vaccine is widely available) is establishing the right safety, hygiene and prevention procedures. Over 30 percent of respondents from both business travel audiences mentioned cleanliness, social distancing, and procedures to prevent virus transmission as their top requested changes to corporate travel policies.

There is also a growing interest among many in the corporate world to understand how Covid-19 will create a new era of remote work. With many companies allowing their employees to work virtually in 2020, there's been [lots of talk](#) about [how business travel will evolve](#). Will business travelers and their managers decide to forgo work trips in favor of video conferencing?

So far, the answer seems to be an adamant no. Respondents pushed back against the idea that meeting virtually was as productive as face to face: A

majority of respondents from both groups strongly agreed or agreed that in-person collaboration was more effective than meeting virtually (next page, bottom). Such sentiments bode well for future business travel demand.

Even if it's not immediately evident in the business travel data, these responses do suggest an optimistic outlook for business travel. In particular, survey respondents are anxious to meet up with their peers in person when it is again possible.

On top of that, even as remote work grows in popularity, new business travel habits which tilt in the sector's favor are likely to emerge. One example is a growing trend toward regular in-person company retreats or meet-ups, which will help newly remote companies and employees forge the personal connections that will help boost their productivity and satisfaction in this new world of digital business.

Which of the following changes to your company’s business travel policies or procedures will be most important in order for your organization to feel comfortable letting employees travel for work?

Travel Managers



Ultimately, the new business travel strategies that emerge out of this transition period created by Covid-19 are likely to force the evolution of a variety of activities associated with business culture. Even if some existing reasons for work trips go away, industry experts also forecast that these new habits may also create new opportunities.

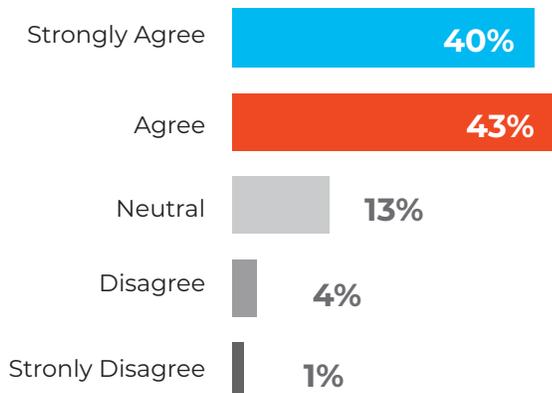
“I think the really big shift that’s going to come is this linkage between the travel function, HR,

real estate and workplace,” said Festive Road’s Strachan.

“You used to have these single monolithic places to go to work. But you also used to work on a plane and work in a hotel and all those things, which workplace organizations didn’t really take into account. Now work could actually be anywhere ... If you think of that, it’s naturally going to bleed over into the travel space.”

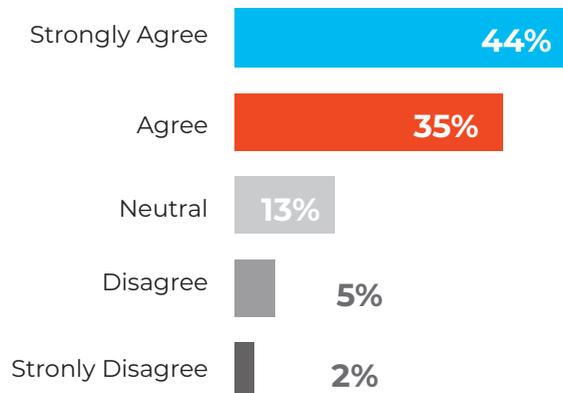
Agree or disagree: “When it comes to getting things done, meeting in person is more effective than meeting virtually.”

Business Travelers



Agree or disagree: “When it comes to getting things done, meeting in person is more effective than meeting virtually.”

Travel Managers



ANALYZING THE FUTURE OF IN-TRIP EXPERIENCE



One of the most important parts of any corporate T&E program is the actual travel experience. At first glance, it might seem odd to examine the in-trip business travel experience when so many employees are temporarily at home. But the continued importance of this activity is a reflection of the resolve of those in the industry.

Even if workers can't travel right now, travel will inevitably return. And when it does, many of the work trip headaches that affected travelers before Covid-19, be they cancelled flights, customer service challenges, or itinerary changes, will be even more

critical for companies to get right if they hope to be part of the recovery.

What do this year's survey respondents say are the most common in-trip problems? Two of the most frequently mentioned were flight delays, an issue that persists from before the pandemic, and minimizing risk of Covid-19 while in transit.

Covid-19 was the most pressing concern for most respondents given the current state of the pandemic and its effect on business travel. How key industry stakeholders choose to respond to this

issue, in terms of delivering information, along with new policies, protocols and procedures for safety and hygiene, will have important ramifications on how quickly business travel is able to recover in 2021.

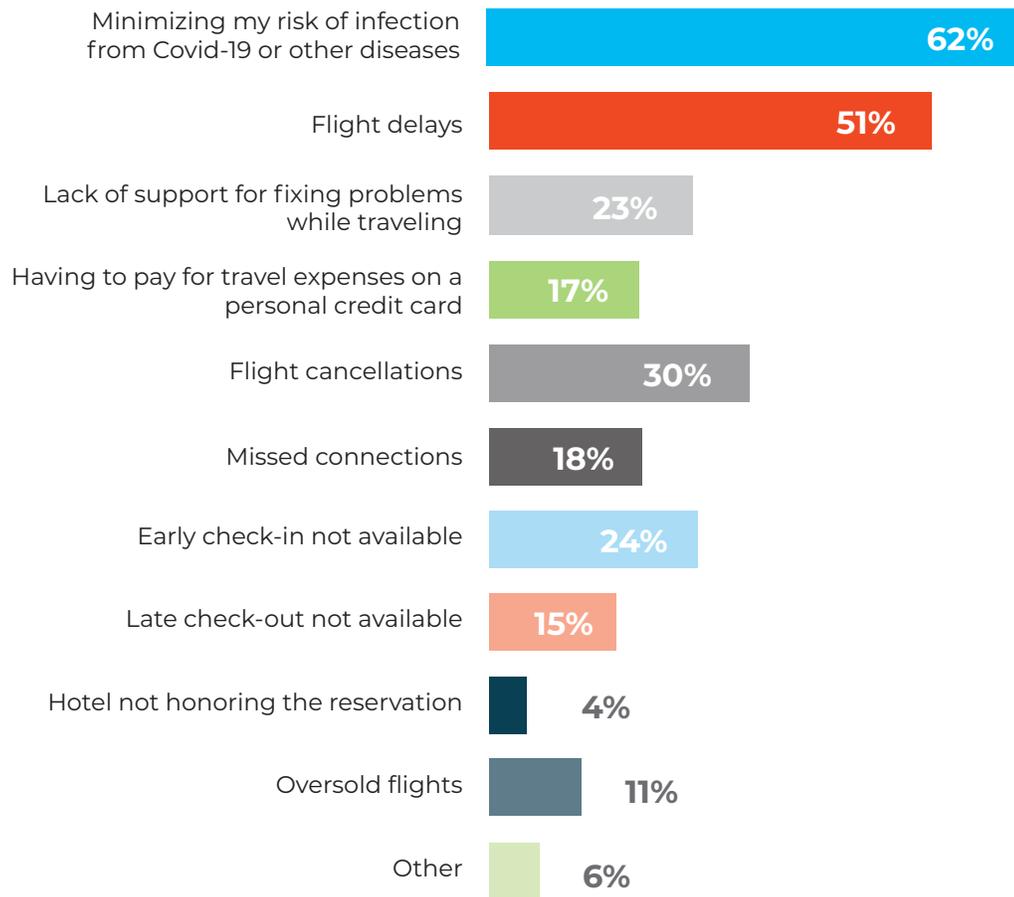
In fact, [numerous safety and hygiene policies](#) have been in place by various business travel suppliers in the airline, hotel, and ground transport sectors. In the airline sector, a recent study found that all [carriers' use of in-flight HEPA filters](#) and mask requirements have dramatically minimized any infection risk.

Some airlines like Delta have even gone a step further to [block off middle seats](#) to prevent close passenger contact. In the lodging sector, global brands like [Marriott](#) and [Radisson](#) all implemented increased cleanliness procedures, and even smaller properties are adapting safety procedures in reaction to current pandemic conditions and local regulations in their area. Similarly rigorous standards are now being used by car rental companies as well: Enterprise Holdings is [one great example](#).

What are the most common problems you face when traveling for work?

(Check all that apply)

Business Travelers



The fluidity of air travel and the effect of flight cancellations is also raising the stakes for travel managers to provide highly responsive support. “Especially with air travel, there are lots of last minute substitutions and cancellations that are happening right now, because airlines are constantly adjusting their schedules,” confirmed TripActions’ Finkel. “I think there’s definitely a much greater need for real-time support 24 hours before the trip, than there was before, just because there’s so much fluidity in airline schedules right now.”

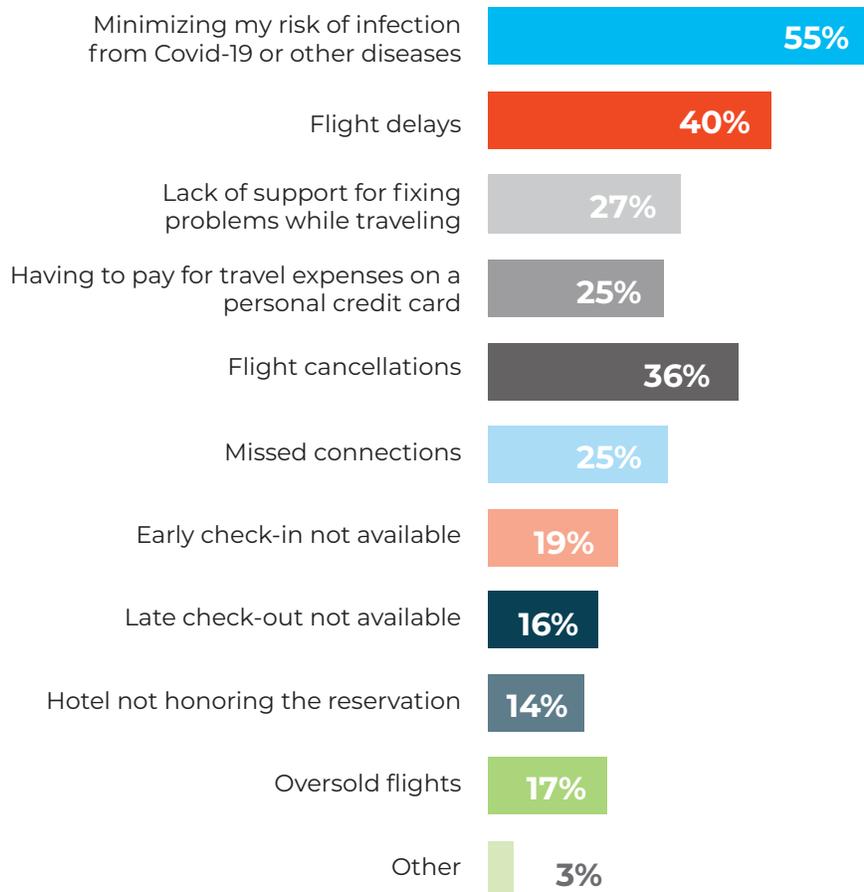
Meanwhile, on the topic of common problems with business travel booking platforms, flight availability

and trip pricing were the two of biggest issues in terms of booking or planning trips (see chart, next page). With a reduction in the number of flights and many of those journeys operating on smaller aircraft, this is likely to remain a concern as business travel resumes until demand requires that airlines increase the number and capacity of their flights.

Also frequently cited was the lack of real-time data on the status of Covid-19. Each of these top problems reiterates the importance of convenience, information, and flexibility for corporate travel tools and agencies in the era of Covid-19.

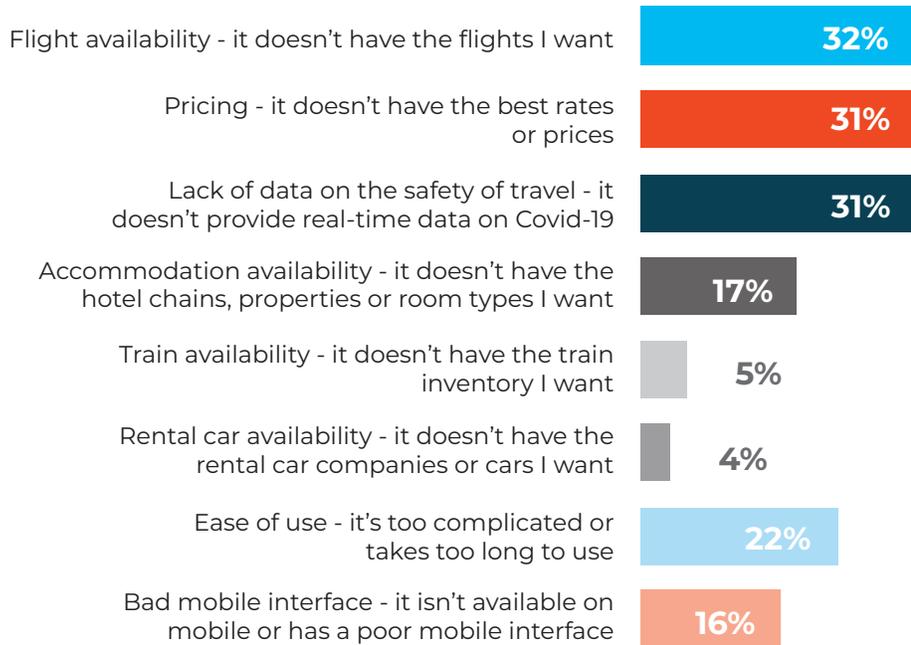
What are the most common problems you or your employees face when traveling for work? (Check all that apply)

Travel Managers



What are the most common problems you face with your business travel booking tool when planning trips for work? (Check all that apply)

Business Travelers



Another topic related to the in-trip experience was how employees like to interact with their corporate travel provider or booking tool. When a problem with a trip comes up, or if an employee is looking to get the latest information about Covid-19 safety protocols, it's critical for best-in-class business travel solutions to deliver contextually-relevant information quickly and easily.

"Travelers right now, especially those that are taking the first steps back into travel, they crave information," said TripActions' Finkel. "They want to soak up as much information as they possibly can about what to expect."

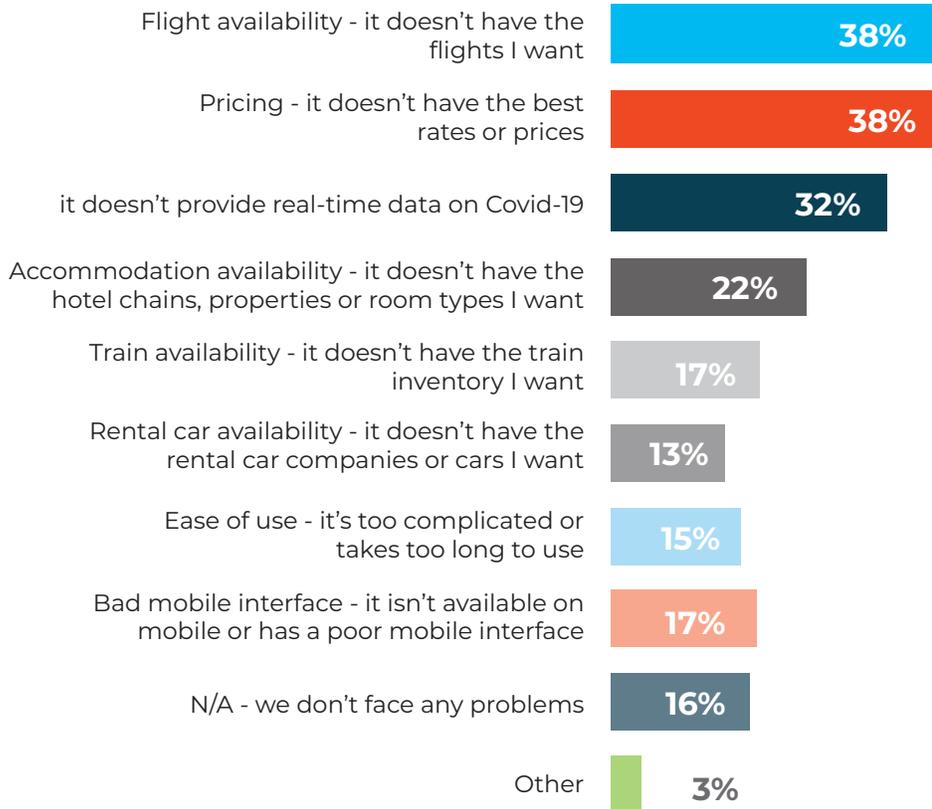
What type of interaction methods do those in the industry prefer? With preference for email, chat and

phone, business travelers and travel managers expect a multi-modal approach that allows them to engage with their corporate travel agency and its agents in the manner most convenient to them (next page, bottom).

The relatively even distribution of interaction channels among respondents reiterates the importance of holistic business travel solutions that help travelers and their managers easily manage their entire journey in one place. At a time when much of business travel is in flux, and when itineraries are frequently changing, it's critical that travel solutions provide a multiplicity of communication choices, along with a seamless method to keep track of it all.

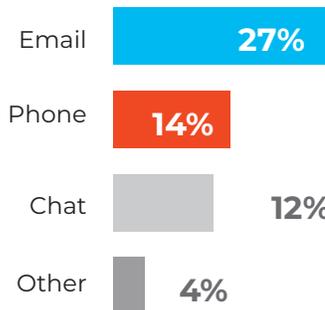
What are the most common problems you face with your business travel booking tool when planning trips for work? (Check all that apply)

Travel Managers



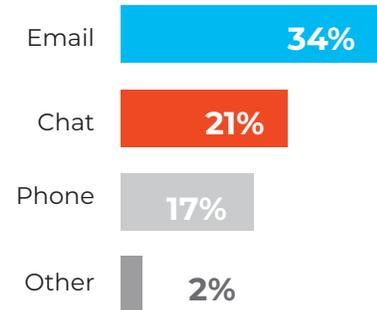
If you use a corporate travel agency to book trips, what is your preferred method of interacting with them?

Business Travelers



If your organization uses a corporate travel agency/platform to book trips, what is your preferred method of interacting with them?

Travel Managers



BUSINESS TRAVEL PERKS AND POLICY



A great corporate T&E experience is much more than solving the hassles that arise. For those companies that embrace the upside of business travel, it can be a critical asset to boost both company success and employee satisfaction, morale, and engagement. In this section, we investigate how employees and travel managers feel about various business travel perks and policies.

Much like other sections of this report, it might initially seem counterintuitive to worry about corporate travel perks and policies during Covid-19.

However, with the majority of business travel on pause, now is the time to best understand travelers' needs and preferences, and adjust programs and policies to ensure a great experience as travel resumes.

It is exactly these perks and policies that will help organizations retain top talent and keep them happy at a moment when much of traditional work culture is in flux. As noted earlier in this report, as remote work grows in popularity and the economy recovers from Covid-19, organizations will need to be much more proactive in developing policies

that are worker- and business travel-friendly. In fact, there are growing calls from those in the industry to rethink the types of perks associated with business travel and their role in the future of the industry.

“This is a once in a lifetime opportunity to pull ourselves above that old way of using points to encourage people to consume more,” said Festive Road’s Strachan.

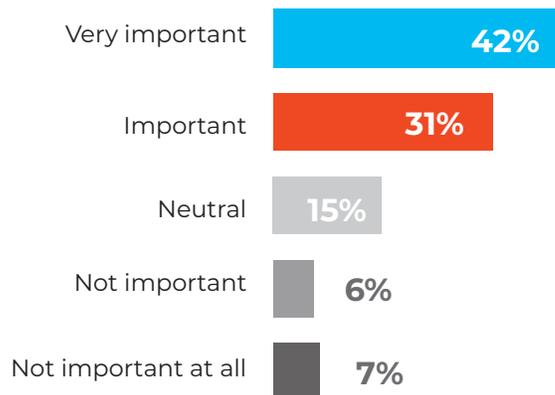
“Even pre-Covid, we were having a really good debate with travel leaders around: how do we use all of those points created, the value created, and how to do better in the world with those points. Because there

is a new breed of traveler emerging who just doesn’t want that on their backs ... It’s quite a tricky topic, but I think if we get purposeful travel right, then the word ‘perk’ will start to diminish.”

One of the most popular business travel perks, at least historically, was loyalty programs. Has this bedrock feature of business travel decreased in popularity now that many workers are not currently traveling or able to use points? The answer appears to be a resounding no. Seventy percent or more of both business travelers and travel managers said loyalty programs are a very important or important factor in their decisions about selecting travel providers.

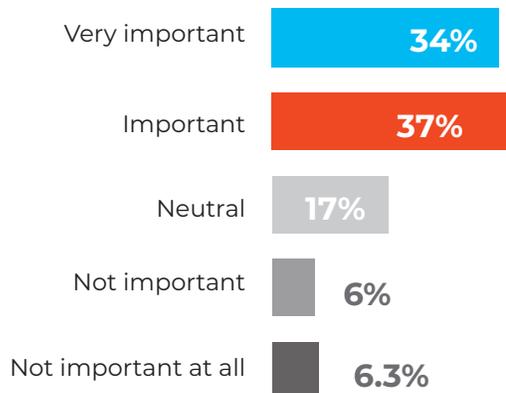
How important are travel industry loyalty programs in your decision about which companies to select for flights, hotels or rental cars?

Business Travelers



How important are travel industry loyalty programs in your employees’ decisions about which companies to select for flights, hotels or rental cars?

Travel Managers



But even if loyalty perks remain a critical part of the business travel experience, they're not the only factor that matters.

Employees also said that they receive considerable satisfaction from non-loyalty related business travel benefits like exploring new destinations (47 percent) and seeing friends while traveling (38 percent). Both trends play into growing interest in bleisure travel trends, where workers combine business trips with personal vacations.

While the phenomenon isn't necessarily a core part of the work experience, more organizations are designing trip policies to make it easier for employees to partake in bleisure trips while also simultaneously saving their companies money. In fact, in addition to leading innovation around Covid-19 features, functionality and data integration, TripActions used the pause in corporate travel to enhance the personal travel booking experience on their platform at the request of their customers and users.

Which of the following travel perks would you say provide you with the greatest satisfaction? Please rank from 1 (LEAST SATISFACTION) to 5 (MOST SATISFACTION)

Business Travelers

	Less Satisfaction		Neutral	Most Satisfaction	
Earning loyalty points from hotels and airlines	8%	6%	15%	30%	42%
Earning points/rewards by using a personal credit card for work travel expenses	14%	9%	26%	22%	29%
Earning rewards (gift cards, money) for saving the company money on travel booked	25%	8%	37%	20%	10%
Exploring new destinations or cultures when traveling for work	3%	4%	12%	35%	47%
Seeing friends who live in the cities you travel to for work	6%	5%	18%	33%	38%

Which of the following travel perks would you say provide employees with the greatest satisfaction? Please rank from 1 (LEAST SATISFACTION) to 5 (MOST SATISFACTION)

Travel Managers

	Less Satisfaction		Neutral	Most Satisfaction	
Earning loyalty points from hotels and airlines	4%	4%	26%	24%	42%
Earning points/rewards by using a personal credit card for work travel expenses	8%	5%	31%	30%	26%
Earning rewards (gift cards, money) for saving the company money on travel booked	11%	8%	34%	26%	20%
Exploring new destinations or cultures when traveling for work	6%	8%	31%	34%	22%
Seeing friends who live in the cities you travel to for work	8%	13%	29%	32%	18%

“When we think about what’s important to our travelers, it’s usually experience as opposed to loyalty or points,” said Jetgo’s Wieseneck. “Employees say, ‘Hey, I have the opportunity to go to another cool city and spend the week there.’”

Yet interestingly, many of the travel managers surveyed haven’t yet prioritized policies that facilitate leisure trips. While many travel managers and program decision makers were well aware that loyalty programs provided the “most satisfaction” (42 percent), far fewer prioritized the importance of exploring new destinations (22 percent) or letting employees see friends who live in the cities where they traveled for work (18 percent) (previous page).

Another business travel policy question to consider for 2021 is how to account for the growing trend of “out of policy” purchases, referring to situations where workers book trips outside of approved corporate travel tools. In years past, these “out of policy”

disconnects were cause for considerable debate as managers scrambled to figure out how to balance between worker convenience, managing costs, and legal rules requiring them keep employees safe on the road.

But thanks to technology and more sophisticated business travel platforms that bring the convenience of consumer travel tools to the corporate space, the occasional disconnects of “out of policy” purchases seem to be receding. While more than 80 percent of travelers and close to 80 percent of managers said the use of “non-approved” booking tools was sometimes or always allowed in this year’s survey, expect to see that trend decline post-Covid.

That’s because organizations with a high percentage of employees who book travel outside of approved corporate travel tools found themselves unprepared when coronavirus hit, without the real-time data on their traveler whereabouts or the ability to communicate with them or help get them home safely.

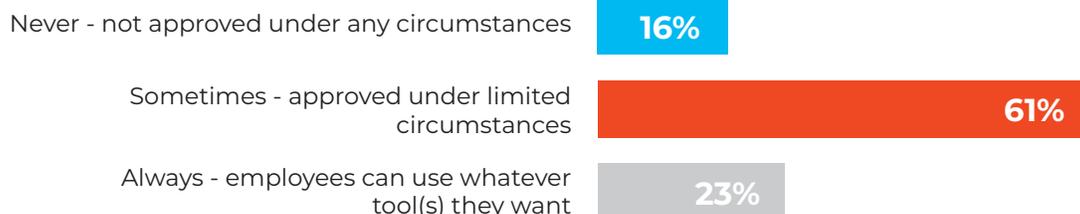
Which of the following best describes your company’s policy regarding your use of “non-approved” booking tools (apps, websites, travel agencies) to book corporate trips?

Business Travelers



Which of the following best describes your company’s policy regarding employees’ use of “non-approved” booking tools (apps, websites, travel agencies) to book corporate trips?

Travel Managers



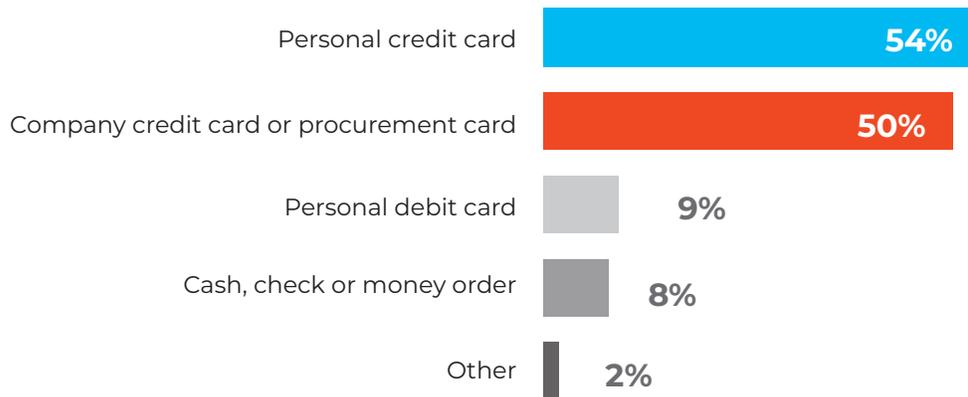
The growing focus on traveler health, safety, and flexibility during the travel pause caused by Covid-19 has also encouraged some organizations to loosen previous restrictions on last-minute travel purchases.

The business travel sector will also focus more attention in 2021 on travel payments and reimbursements, working to gain greater visibility and control over spend with modern T&E management tools on the path to business and economic recovery.

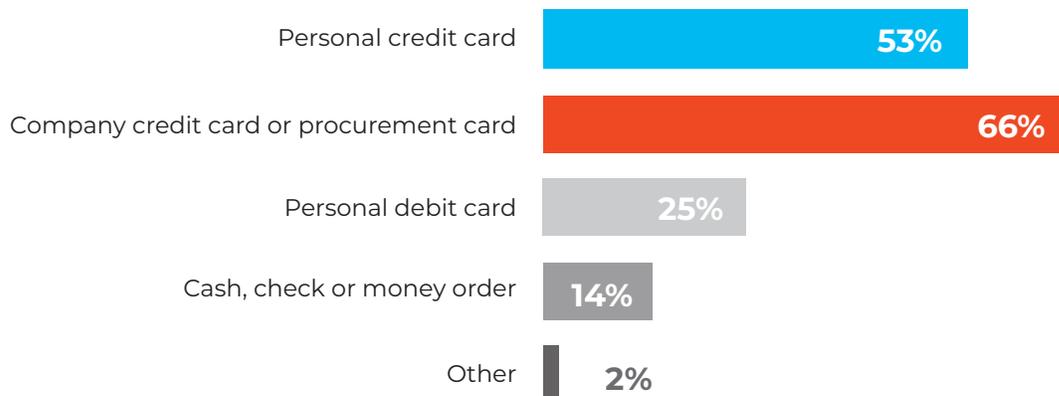
“You can see across the board, travel budgets are changing,” said TripActions’ Finkel. “Are they going to go back to where they were? Probably not. And so, people are going to have to be a lot more cognizant of what they’re spending, how they’re spending, why they’re spending it.”

One way to track trends related to travel payments and reimbursements is to look at current payment methods for work trips. Overall consensus among both groups in this year’s survey is that a mix of company credit cards and personal cards were the most common payment method to pay for trips.

When I travel for work, I pay for expenses with: (Check all that apply)
Business Travelers



When employees travel for work, they pay for expenses with: (Check all that apply)
Travel Managers



That said, travel manager responses to this question suggest the growing popularity of work-issued corporate cards, something likely linked to such cards' ability to give travel managers and finance leaders better visibility and control over spend while removing the burden of carrying the cost of work travel on the employee.

This finding is backed up by data comparing results from Skift and TripActions' business travel surveys in 2019 and 2020. When the same question was asked in 2019, 69 percent of travel managers said their employees paid expenses with personal cards, a proportion that shrank to just over 50 percent in this year's survey (see chart on previous page).

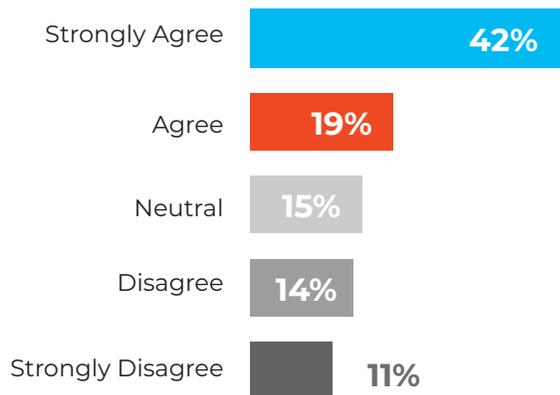
In addition, 76 percent of business travelers said they had used personal cards for work trips, which decreased by more than 20 percentage points to 54 percent in 2020 (see chart on previous page). Meanwhile the proportion of travelers using

corporate cards for work trips went from 41 percent in 2019 to 50 percent in 2020.

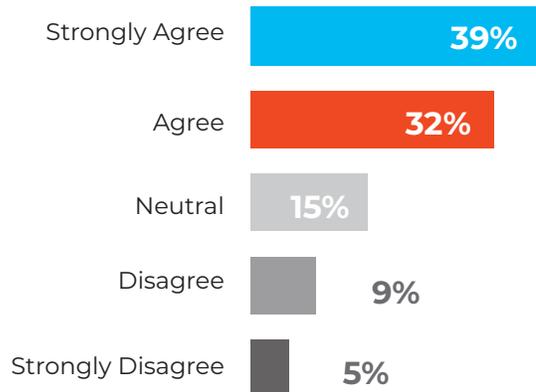
One factor which may help encourage further adoption of company-issued payment and expense solutions is the fact that many travelers already prefer them to using their own payment vehicles. According to a separate question on the topic of how business travelers preferred to handle work travel expenses, both business travelers and managers said they "strongly agreed" that they preferred to pay for expenses with a company card (see charts below).

This aligns well to the launch of innovative corporate T&E solutions like TripActions Liquid™ which offer physical and virtual cards, smart approval workflows, automated expense reports and centralized billing to streamline all manner of approved employee spend, including travel, on-the-go, one time, recurring and out-of-pocket purchases.

Agree or disagree: "I prefer to pay for work travel expenses with a company credit card."
Business Travelers



Agree or disagree: "We prefer that our employees pay for work travel expenses with a company credit card."
Travel Managers



TRAVEL PLATFORM AND AGENCY EXPERIENCE



In-trip experience is also an important part of the corporate T&E constellation of features. But as any seasoned business traveler will tell you, good pre-trip planning, a user-friendly booking experience, and access to expert travel agents 24/7/365 at no additional cost are equally essential. That's because much of the success of a business trip and successful corporate T&E programs start before employees ever leave home: with a modern corporate T&E platform and agency.

In recent years, much of the conversation about corporate T&E platforms revolved around the user

experience thanks to disruptors like TripActions which challenged the status quo of the industry to deliver a better experience than what was previously available from legacy TMCs and tools. How could companies provide a consumer-friendly solution that pleased employees while also making it easy for travel managers to keep a handle on company travel costs? In 2020, that debate continued, but was supplanted by new concerns related to Covid-19: Which travel programs provided the necessary agility, flexibility, and safety information to help travel managers ensure their employees could stay out of harm's way?

“One thing we’ve always done well is focus on the traveler,” said TripActions’ Finkel.

“Building a platform and a business around not just the travel manager, who’s very important, but the traveler themselves. And I do think now travel managers across the board are having a lot more conversations with the travelers. Because a travel manager is a perspective of one, so they really need to understand what their employees want and not.”

What did this year’s survey respondents have to say about their preferred corporate travel solution? In this section we evaluate business traveler and travel manager perceptions of various corporate travel platforms.

Perhaps the biggest question is what business travel solution companies should pick to serve their company travel needs. And on this question, one way of answering is by looking at the satisfaction levels for various tools. On this topic, TripActions was a top performer:



Eighty-three percent of travel managers using TripActions rated the platform an 8 out of 10 or higher. This was in contrast to just 52 percent of travel managers using non-TripActions travel platforms. It was also true for business travelers. Sixty-three percent rated TripActions 8 out of 10, whereas just 49 percent said the same about non-TripActions tools.



On a scale of 1 to 10, with 1 being worst and 10 being best, please rate your satisfaction with your current corporate travel tool/platform.

TripActions Business Travelers

	1 - Extremely Dissatisfied	2	3	4	5	6	7	8	9	10 - Extremely Satisfied
Rating	0%	0%	0%	0%	13%	13%	13%	25%	13%	25%

On a scale of 1 to 10, with 1 being worst and 10 being best, please rate your satisfaction with your current corporate travel tool/platform.

TripActions Travel Managers

	1 - Extremely Dissatisfied	2	3	4	5	6	7	8	9	10 - Extremely Satisfied
Rating	0%	0%	0%	0%	0%	6%	11%	37%	26%	20%

On a scale of 1 to 10, with 1 being worst and 10 being best, please rate your satisfaction with your current corporate travel tool/platform.

Other Providers Business Travelers

	1 - Extremely Dissatisfied	2	3	4	5	6	7	8	9	10 - Extremely Satisfied
Rating	2%	3%	2%	5%	9%	7%	23%	17%	20%	12%

On a scale of 1 to 10, with 1 being worst and 10 being best, please rate your satisfaction with your current corporate travel tool/platform.

Other Providers Travel Managers

	1 - Extremely Dissatisfied	2	3	4	5	6	7	8	9	10 - Extremely Satisfied
Rating	1%	1%	4%	7%	9%	9%	17%	15%	18%	19%

Another way of measuring the performance of various travel solutions is by considering how easy they are to use. Once again on this question, TripActions travel managers were more likely to agree that the platform was “easy to use” in comparison to other business travel (see charts below and next page).

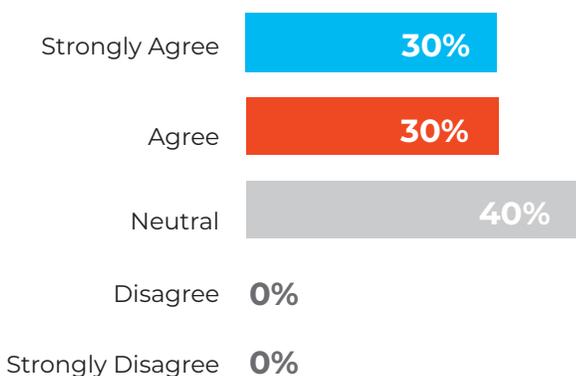
As it turns out, this ease-of-use factor was echoed by industry executives interviewed for this report. As many noted, the best business traveler platforms have always looked for ways to be helpful, convenient, and innovative during this difficult

moment, helping to put their travel managers and their employees at ease when travel has been more uncertain than usual.

“I’ve never seen a company [like TripActions] from the top down to reorient themselves, think about what’s important from a product roadmap perspective, and then deliver product innovations and product features,” said letgo’s Wieseneck. “They’re now needed in a world that we would have never thought about needing these things before.”

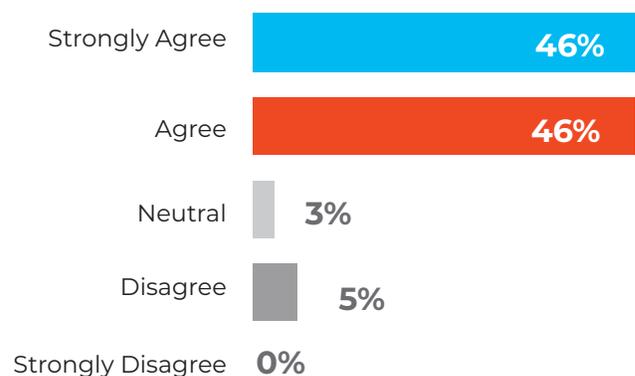
Agree or disagree: “My company’s travel solution is easy to use.”

TripActions Business Travelers

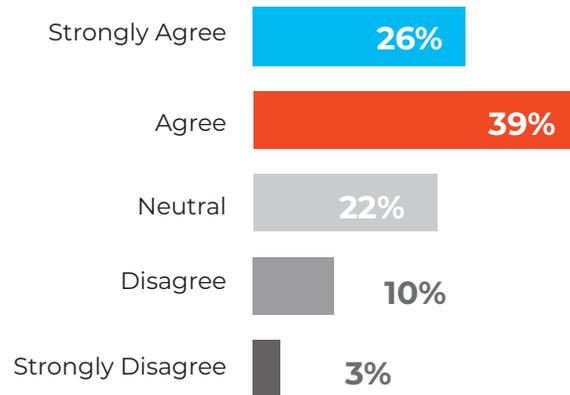


Agree or disagree: “My company’s travel solution is easy to use.”

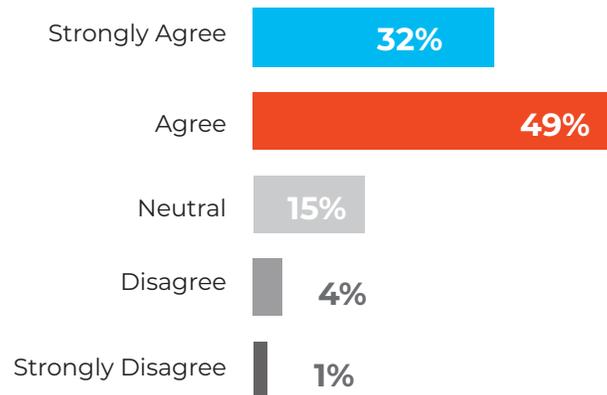
TripActions Travel Managers



Agree or disagree: “My company’s travel solution is easy to use.”
Other Providers Business Travelers



Agree or disagree: “My company’s travel solution is easy to use.”
Other Providers Travel Managers



CONCLUSION



2020 has been an eye-opening experience for the entire travel industry. No matter their role in the industry, every individual that touches the business travel system has been impacted as they were forced to adjust their expectations, adapt to changing circumstances, and find ways to evolve in the face of a once-in-a-lifetime global health emergency.

But despite the easy opportunity to predict a “bearish” assessment of business travel in the years to come, there’s also an equally positive story that says the exact opposite. In fact, 2020 may prove to be the year that business travel stakeholders truly started to listen to changing traveler needs, innovate its products and services in exciting new ways, and

create best in class travel experiences that business travelers at companies of all shapes and sizes are excited to use.

Predicting the future is always a risky proposition, especially when it comes to the truly global, complex, events that have shaped 2020. But as we’ve seen in the results of this year’s survey and numerous examples of innovation from across the business travel sector, the industry isn’t content to rest on its heels. Business travel in 2021 and beyond is likely to look different than what came before. But thanks to a commitment to innovation, coupled with a customer-first focus, the industry is well positioned to thrive in whatever comes next. ♦

ABOUT SKIFT

Skift is the largest intelligence platform in travel, providing media, insights, marketing to key sectors of the industry. Through daily news, research, podcasts, and Skift Global Forum conferences, Skift deciphers and defines the trends that matter to the marketers, strategists, and technologists shaping the industry.

SkiftX is Skift's in-house content marketing studio, working collaboratively with partners like Adobe, Airbnb, Hyatt, Lyft, Mastercard, 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 skiftx@skift.com.

The Skift logo is rendered in a bold, black, sans-serif font. The letter 'i' is lowercase and features a solid black dot above it. The period at the end of the word is a solid black dot.

ABOUT TRIP ACTIONS

Fast becoming the default for corporate travel and expense management, TripActions is the leading, cloud-based T&E platform that combines industry-leading tech with best-in-class travel agency service.

Trusted by 4,000+ companies globally including Zoom, Okta, Pinterest, Crate & Barrel, GameStop, Lennar, Wayfair, Financial Force and SurveyMonkey, TripActions empowers organizations with real-time data and insights to make business decisions, paired with flexible T&E management tools that enable them to adapt to changing market conditions to keep traveling employees safe, control costs and save money.

Learn more at www.tripactions.com. Join the TripActions Community at <https://community.tripactions.com/> #LetsGo

The TripActions logo consists of the brand name in a white, sans-serif font, set against a solid black rectangular background. The letter 'i' is lowercase and has a small blue dot above it. The letter 'A' is uppercase and has a small red dot above it. A registered trademark symbol (®) is located at the top right of the word.