

THE STATE OF CORPORATE TRAVEL AND EXPENSE 2023

NEW PRIORITIES, NEW OPPORTUNITIES

Presented by:

Skift +  **TripActions**[®]



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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.

ABOUT TRIP ACTIONS

TripActions is the all-in-one travel, corporate card, and expense management solution, providing 8,000+ customers around the globe with unprecedented visibility and control over spend. Trusted by travel managers and finance teams alike, TripActions and TripActions Liquid leverage real-time data to help companies keep traveling employees safe, reduce spend, and drive productivity.

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Executive Summary



Corporate travel and expense (T&E) has started to look much different as companies renegotiate their policies in a new, unfamiliar business climate on this side of the Covid-19 pandemic. Over the past several years, T&E stakeholders critically reexamined program priorities, identifying how to contain or reduce costs and where travel, corporate cards, and expense tools were misaligned with governing policy.

This period of rethinking created a valuable working blueprint for the future, but make no mistake: Travelers and managers still face a mix of legacy issues and new realities. Though corporate travel spending patterns are starting to become much clearer, the landscape is still evolving.

With inflationary pressure mounting, travel and finance managers are urgently seeking to adopt innovative, end-

to-end travel, corporate card, and expense management tools and processes to avoid or reduce budgetary stress. This economic climate has hastened the need for modern solutions that reinvent outdated, legacy travel management models and travel and expense management tools, which have proven unable to adapt to fluid marketplace and economic conditions.

As managers work to translate lessons learned into lasting solutions, they're attempting to balance optimism with the reality of the new business travel landscape. This much is certain: As corporate travel emerges from the twists and turns and shakeout of the pandemic, travelers and managers are newly motivated — if not impatient — for efficient, safe, cost-effective, productive, and more closely aligned travel processes and policies.

Executive Letter

Rebound. Rally. Revival. Whatever name you give this year's return to travel, the result has been an unmistakable energy — one we can all feel pulsing through busy airports, crowded hotel bars, and packed event meeting spaces. The effects aren't just anecdotal: TripActions data show that travel bookings and spend are way up from last year. There's no question that travel is back in force, and road warriors are hungry for more.

Of course, there have been challenges: We turned the Covid-19 corner only to run up against climbing inflation. So companies once again moved into task-force mode — this time, figuring out how to better control costs while maintaining a level of travel that helps nurture client relationships, drive new business, and enable remote teams to meet in person.

But here's the thing: While the past year has been exceptional in its own way, new wrinkles that affect the way companies travel and spend will continue to appear. And the most effective way to prepare is by having a T&E partner who has demonstrated an ability to get out in front of those curveballs.

TripActions is that partner. Our innovation has come from thinking differently about the entire T&E journey, from booking to reconciliation and everything in between. And whether it's facilitating team travel, incentivizing cost savings, tracking sustainability metrics, or automating receipt itemization, we keep pushing the envelope by starting with one simple question: Will it make life easier for our customers and travelers?

So, while legacy players are scrambling to play catchup, we're looking ahead and anticipating our customers' needs before they arise — then building features and functionality to meet those needs. It's what motivates us to come to work each day.

Business travel inspires us — especially when it's easily bookable and doesn't require submitting onerous expense reports, as with the TripActions solution. And it's exciting that the streamlined experience of our people-first approach delights our ever-growing customer roster as well.

We're thrilled to be back traveling the world with more and more of you, and we're excited to tackle whatever challenges arise next in the universe of travel and spend.

Nina Herold

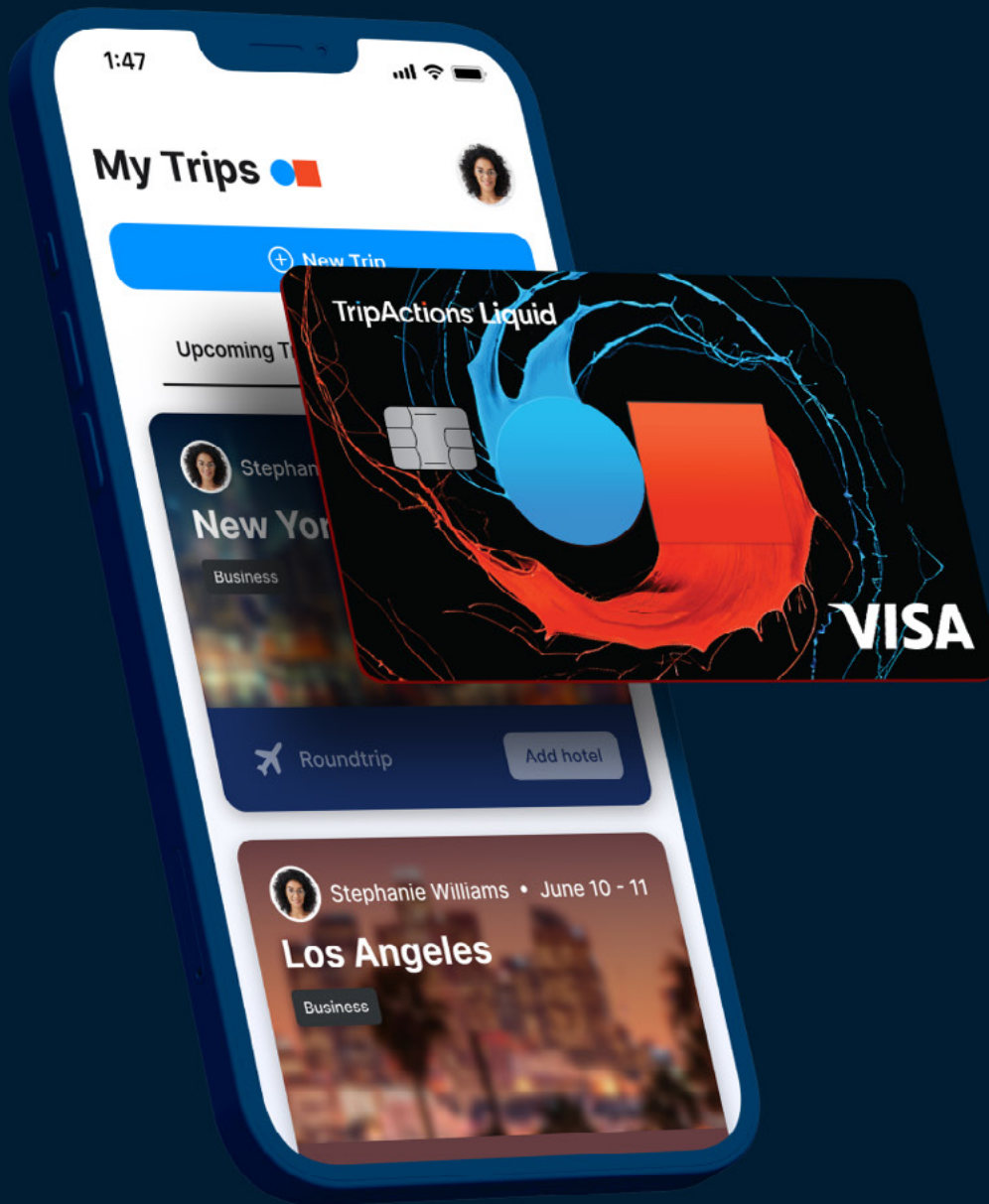
EVP and GM of Travel, TripActions



Nina Herold

EVP and GM of Travel
TripActions

Spend less on travel & expense



Introduction



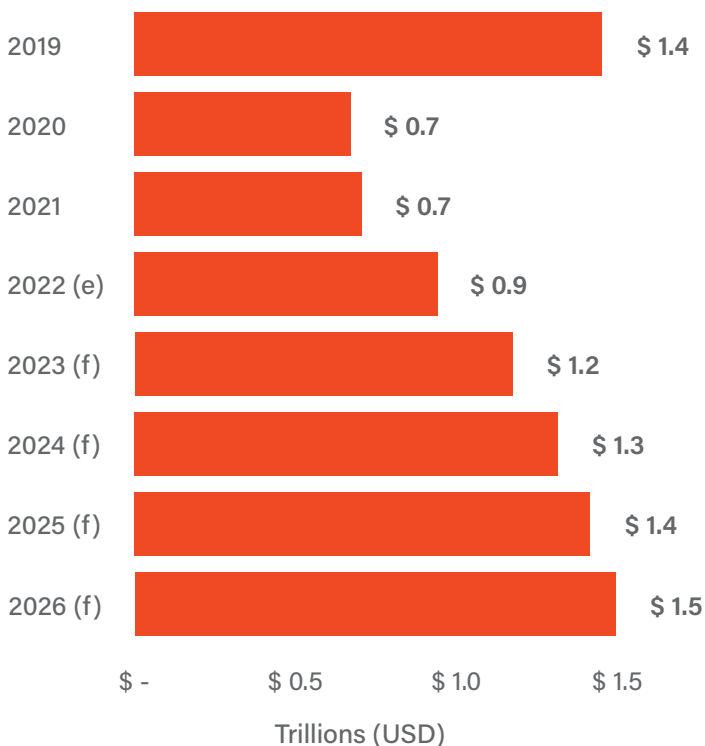
Amid wider optimism for recovery in the travel industry, the business travel forecast remains in flux. In its November 2021 Business Travel Index Outlook—Annual Global Report and Forecast (BTI), the [Global Business Travel Association \(GBTA\)](#) forecast a surge in global business travel spend in 2022 that would propel full recovery of the segment to 2019’s record \$1.4 trillion by 2024.

By [August 2022, the BTI report](#) told a different story. Blaming global macroeconomic woes that are “impacting the timing, trajectory and pace of business travel’s recovery both globally and by region,” GBTA revised its expectations for a full business travel recovery to 2025 and 2026.

Despite headwinds, business traveler sentiment and corporate travel spending are still showing strong fundamentals, buoying the bounceback — even if reaching full recovery takes a bit longer than expected.

For example, data from hospitality analytics company STR show evidence of resurgent [business travel pickup](#) on both sides of the Atlantic. Since February 2022, there has been a steady rise in weekday, midweek, and urban hotel demand in the U.S., the UK, and across Europe. [TripActions data](#) lends

Global Business Travel Spend



Source: GBTA (e) = estimate (f) = forecast

further evidence to the improvement, as fall business travel bookings increased year over year by a factor of nearly six.

Big travel enterprises are feeling the optimism as well, including the major U.S. airlines. [Delta](#), [American](#), and United all recently reported that they expect business travel volume to return to pre-pandemic levels in 2022.

“Large corporations are now returning to travel at a faster rate than small businesses,” said United’s Executive Vice President and Chief Commercial Officer Andrew Nocella [during the company’s first-quarter earnings call in April](#). United expected business travel, as measured by total revenue per available seat mile, to return to 100 percent of 2019 levels “soon.”

Balancing the New Costs of Doing Business

For the industry, market fundamentals continue to look positive, and executives remain confident in business travel recovery despite the many fits and starts so far in 2022.

The picture for individual companies is much more complex. Lasting changes inflicted by the pandemic have put corporate travel planning and expense management at an inflection point. To navigate rising travel costs, shrinking travel budgets, shifting travel policy, and economic uncertainty, companies are seeking out dynamic, high-efficiency travel, corporate card, and expense solutions that are no longer isolated but integrated, contextualized pieces of a holistic corporate investment strategy.

With much of the corporate office workforce staying home starting in 2020 and largely conducting business by phone

and video conference instead of in person, companies realized unexpected cost savings. Now, as travel and finance managers confront the implications of permanent hybrid and remote scenarios, they are tasked with balancing cost-savings strategies with the importance of investing in business travel.

Gartner reported that CFOs are looking hard at cutting and containing costs, but they’re not “planning across-the-board cost reductions.” Rather, they’re “protecting areas that can drive growth and efficiency.”

To be sure, inflation and other economic concerns could compound new corporate cost structures. Still, while CFOs are looking hard at cutting and containing costs, they’re not “planning across-the-board cost reductions,” reported Gartner, but rather “protecting areas that can drive growth and efficiency.”

One area that garners significant spending (and potential savings), of course, is T&E management. Preserving capital is always beneficial, especially as inflationary and recessionary pressures mount. To effectively contend with these cost-savings challenges, finance leaders must reprioritize smart, cost-effective decisions that support critical employee travel and spend. After all, such action creates deals, wins business, generates revenue, increases sales, and builds relationships.

Companies that continue to value business travel as a growth driver are pivoting away from the uncertainty, indecision, and complacency perpetuating the use of inadequate existing solutions, and their managers are proactively adapting to all-in-one solutions that meet the complex needs of today’s travel challenges.





Technology Has Become the New Flexibility

The emphasis to balance cost and value sits alongside the imperative for new travel and expense technology that allows greater flexibility and seamless adaptability. The pandemic gave a sharp new definition to the concept of agility. With global supply chain shortages, climate change, and inflation compounding the challenges, companies must also manage employee expectations in the new hybrid-remote context.

“In response,” wrote Jon Roskill, CEO of cloud-solutions company Acumatica in a [Forbes](#) article about predictions for 2022, “many savvy businesses have turned to cloud-based tools and platforms to power digital connection and collaboration across modern workflows, ultimately enhancing their remote and hybrid workforces. To remain agile, decision-makers must carefully reevaluate legacy systems and longstanding protocols to optimize the business’s most important resource: its workforce.”

Speed of information is also a new imperative. As business emerges from the “ever-changing trajectory and impact” of the pandemic, the World Economic Forum identified the need for “more timely information, up-to-date strategic agendas, and shorter decision cycles” as a key to [resilient post-pandemic recovery](#).

For travel managers and financial decision-makers, this clear-cut call to action means embracing technologies and processes that streamline all activities and operations related to travel, card, and expense management. And lest companies forget, as Roskill wrote, “New technologies foster happier employees.”

These imperatives are further accelerating the embrace of a single platform. And that’s essential for unifying all company-related expenses, including real-time reporting, transparent tracking, simplified reconciliation, and other cost-reduction solutions.

Given these urgent considerations occurring at companies across the corporate landscape — and their profound impact on the future of T&E — this report will explore the return of business travel and its implications on the new workforce. It will also dive deep into how companies can reimagine their travel policies and technologies to make corporate travel programs more agile and cost-effective as part of a 360-degree, holistic corporate spending strategy.

At a time when companies face the dual challenges of both attracting and retaining talent, establishing flexible travel and expense policies and processes can also set them apart as employers that put their people first while effectively managing ongoing business challenges in today’s new environment.

About the Skift and TripActions 2022 - 23 "State of Business Travel" Survey

For the past five years, Skift and TripActions have collaborated on an annual study examining the landscape of business travel, corporate card spending, and expense management. After five years of hearing from business travelers and managers on the need for more nimble, flexible, and adaptable travel tools and technologies, the question lingers: Has upheaval from the pandemic and economic uncertainty helped accelerate change?

On a wider scale, the answer appears to be "not quite yet." The 2022 edition of this survey, which garnered responses from more than 700 corporate travel and finance managers as well as more than 1,100 business travelers — located primarily in France, Germany, the UK, and the U.S. — found that some corporate travel tools are still struggling to keep pace with rapidly changing policies, resulting in frustrated managers and dissatisfied travelers. Unless otherwise noted, all charts and graphs depicted in this report represent data from this survey.

Several major themes emerged from this year's survey, underscoring the importance of reevaluating corporate travel and expense programs and the technologies used to manage them:

1. The return of business travel does not equate to "business as usual." Remote work setups and new requirements for expense management, sustainability, and duty of care are now permanent fixtures.
2. Travel policies remain in a state of flux, and the ability to properly communicate how they're changing and what that means for employees is essential for compliance and cost management.
3. Road warriors, travel buyers, and corporate finance managers are more impatient than ever to implement streamlined, seamless, all-in-one travel and expense platforms and solutions.

With Covid-19 now less likely to dictate major changes in traveler behavior and travel policy, this edition of the annual

Skift and TripActions report is the first to examine the state of corporate travel in a post-pandemic context. Shifting away from the industry narrative centered on when business travel would "come back" that has swirled around since 2020, the future shape and form of corporate travel and expense is now beginning to crystallize.



The Return of Business Travel Is Real, and It's Spectacular



Responses from the Skift and TripActions survey show business travelers' desire, if not impatience, to take to the skies, hit the road, and ride the rails in 2022 and 2023. Nearly half (49.1 percent) of respondents who said they travel for business "strongly agreed" that business travel is important for driving their company's growth, and another 35.1 percent "somewhat" agreed with this statement.

That collective 84.2 percent response was up 11 percentage points from the 2021 survey, when business travelers were asked the same question. Travel and finance managers are likewise enthused about the potential for business travel, with 78.2 percent in agreement with this statement, up from 77.2 percent in 2021.

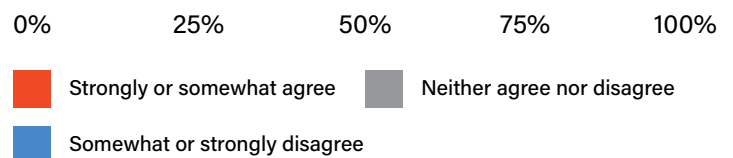
More tangibly, the volume of business travel is spiking rapidly. Nearly half of business travelers (48.7 percent) expect to take at least six business trips in the next 12 months, compared to just 32.7 percent who traveled at least six times in the past year. (See chart on next page.)

Agree or Disagree: "Business travel is important to driving my company's growth." 2021 vs. 2022

Business Travelers

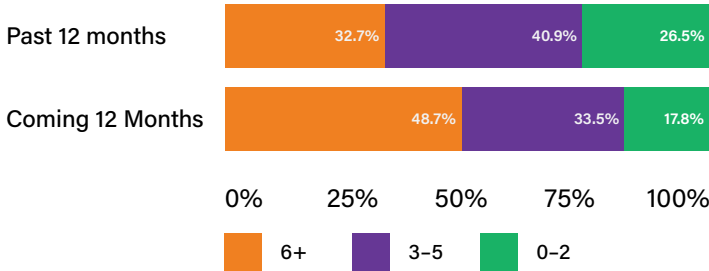


Travel and Finance Managers



Number of Business Trips Taken in Past 12 Months vs. Expected in Next 12 Months

Business Travelers



For travelers across a broad swath of industries — from financial services, government, and healthcare to construction, IT, and entertainment — the top reason cited for business travel in 2022 and 2023 was to attend meetings and conferences. That was also a top priority for business travelers in 2021, continuing a year-over-year trend that reaffirms the resiliency of face-to-face engagement in any business climate.

According to the Northstar Meetings Group’s [Meetings Industry Forecast 2022](#), released in November 2021, total meetings volume in October 2021 was about 40 percent below October 2019. Yet there was clear positive momentum. Attendance averages were up to 112 and 110 for September and October 2021, respectively — well above the 80-person average for October 2019. Small corporate meetings especially showed promising traction, going from around 59 percent of all group business earlier in the year to nearly 70 percent heading from July into October 2021.

Today, in bellwether markets like Las Vegas, conventions and events are booming. According to the Las Vegas Convention and Visitors Authority, convention attendance surged to nearly 152,000 in June 2022, up 138 percent from June 2021. And the city’s just getting warmed up. Following a robust return to action in 2021, IMEX — America’s largest trade show for the global meetings, events, and incentive travel industry — is back again this October. Days later, Las Vegas hosts Routes World, the world’s largest global aviation conference, where over half of the world’s new routes emerge from meetings and networking.

Pulse-taking on the overall meetings industry outlook indicates a generally healthy prognosis. Among the key findings from the

Meeting Professionals International (MPI) Meetings Outlook Spring 2022 report: 90 percent of planning professionals [predicted favorable business conditions](#) for the next 12 months, and 85 percent expect positive live attendance growth over the next year. One in 10 said their business was already back to 2019 levels, and 64 percent anticipate a full rebound by 2023.

Beyond meetings — which are a clear indicator of business travel sentiment on a mass scale — the Skift and TripActions survey results showed that other top reasons for business travel include establishing new business relationships or fostering existing ones, as well as essential client-related travel.

Business travel sentiment, intent, and activity are back strong, and the traditional ways of conducting business — while reckoning with a period of adjustment — are here to stay. Adding to the resurgence in travel for these more “traditional” types of business trips, the latest Skift and TripActions survey data suggests that the continuing stabilization and adoption of remote and hybrid work solutions may be adding to enthusiasm for in-person connections as an antidote to the constant cycle of virtual meetings.

The continuing stabilization and adoption of remote and hybrid work solutions may be adding to enthusiasm for in-person connections as an antidote to the constant cycle of virtual meetings.

In 2021, 15.1 percent of business travelers believed that they would be fully remote once temporary pandemic-era policies became permanent, and nearly 20 percent of travelers anticipated that they would be fully in-office. In 2022, as a firmer reality set in, 16.7 percent of travelers said they are now fully remote, 70.4 percent are working partially remote in “hybrid” mode, and just 12.9 percent are fully in-office. (See chart on next page.)

Managers were more likely to accurately predict the prevalence of remote working. In 2021 and 2022, about 85 percent said that their employees would be working either fully or partially remote.

Remote and hybrid situations are clearly sticking, along with associated employee habits and routines. For example, Global Workplace Analytics presented compelling evidence that people are happier and more satisfied working from



home. In a [recent study](#), the firm found that two-thirds of people want to work from home, and over one-third (36 percent) said they would choose that option over a pay raise.

While the remote/hybrid setup works great on a day-to-day basis — people have a better work/life balance and are often more productive — that doesn’t diminish the value of meeting with colleagues to bond and collaborate. Nearly three-quarters of business travelers told Skift and TripActions that they plan to attend a company offsite this year, up from 64.5 percent in 2021.

There’s a rising tide floating all boats here. Travel to meet co-workers isn’t necessarily the top priority for corporate travel, but it’s seeing a big increase alongside everything else. Indeed, more than half of travelers (60.7 percent) and managers (56.0 percent) said they expect travel to increase this year to make up for a lack of daily in-person interaction. (See chart on next page.)

Company Policies Toward Remote Work, 2021 vs. 2022

Business Travelers

	2021	2022
Fully remote	15.2%	16.7%
Partially remote	65.5%	70.4%
Office only	19.3%	12.9%

Travel and Finance Managers

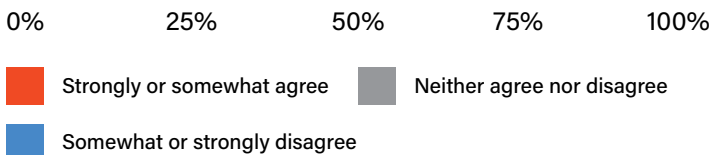
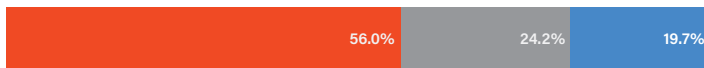
	2021	2022
Fully remote	22.6%	21.2%
Partially remote	63.2%	64.1%
Office only	14.3%	14.8%

Agree or Disagree: “We/Employees will take more business trips in 2022 and 2023 to make up for fewer in-person meetings due to remote work.”

Business Travelers



Travel and Finance Managers



Offsites Are “In,” Alongside Mixed Business and Leisure Trips

According to the 2021 Skift and TripActions survey, 63 percent of business travelers were “strongly” or “somewhat” excited about scheduling and attending regular offsite gatherings as a way to stay connected with colleagues during the pandemic, when more workers went remote.

Road warriors are even more enthused now, with those either strongly or somewhat agreeing that they are “excited” for such gatherings increasing by 6.7 percentage points in the 2022 survey. Their intent to participate is also much stronger, with 73.7 percent indicating plans to attend an offsite gathering in 2022, up from 64.5 percent in 2021. (See chart, opposite.)

Offsites, like remote and hybrid work solutions, appear to have found solid footing in the new business travel environment. Under the title of “[The Off-Site Is the New Return to the Office](#),” *The Wall Street Journal* showcased multiple examples of how companies that have adopted hybrid work models, as well as fully remote teams, are increasingly leveraging regular or periodic offsite events to “strengthen company culture and foster connections among colleagues.”

As more companies look to put offsites on a regular schedule, innovative new travel technologies can help with more complicated arrangements, such as flying in employees from different locations.

Featured in *The Wall Street Journal* coverage, Matthew Prince, CEO and co-founder of cloud-services provider Cloudflare, Inc., shared how his team had explored developing an internal tool to help managers plan offsites and team gatherings. Count that as another check on a long list of travel planning features necessary in today’s business travel climate.

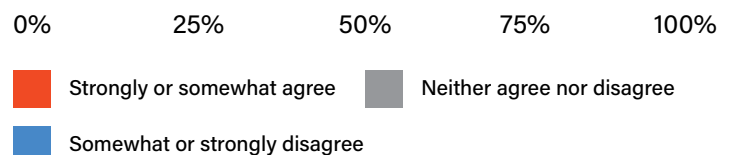
In addition to the benefits remote-working employees believe they will gain from connecting with colleagues for dedicated offsite travels, companies are also realizing that vacation time is becoming more valuable.

Remote workers tout — and companies gain from — the enhanced productivity and personal/professional balance that comes with working from home. But being at home all the time can also light the burnout fuse in a different way. As a result, some companies are openly encouraging employees to take some personal time after a business trip. In fact, more than half of companies are doing just that, according to both travelers and managers who responded to the Skift and TripActions survey. (See chart on next page.)

“We’ve seen changes in policies that govern mixing work and play, with companies not only allowing but encouraging employees to tack on a couple days of vacation to their

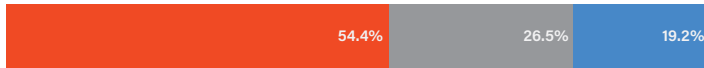
Agree or Disagree: “I am planning to attend one or more company offsites to connect with my co-workers.” 2021 vs. 2022

Business Travelers

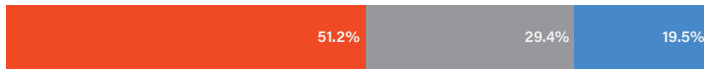


Agree or Disagree: “Our company encourages employees to take personal time off before or after a business trip.”

Business Travelers



Travel and Finance Managers



0% 25% 50% 75% 100%

■ Strongly or somewhat agree
 ■ Neither agree nor disagree
■ Somewhat or strongly disagree

business trips,” said Michael Riegel, general manager, EMEA, TripActions. “And employees are taking advantage. We have seen a dramatic increase in the use of our personal travel product, which offers leisure travelers the same deep inventory and discounted prices as business travelers.”

While 34.1 percent of managers said that they will reimburse employees for some personal travel costs, it’s clear that’s not immediately apparent to traveling employees. Only 12.3 percent of business travelers said that their companies will offer the opportunity to expense such costs. If these types of options are offered and communicated more widely, they may lead to a further rise of the travel tides — both business and leisure.

As these trends add to the rapidly growing volume of traditional business travel, the industry’s cost and complexity are also rising. This development reinforces the need for tools and technologies to support the changes and challenges happening constantly in today’s environment. With the survey data revealing lingering unresolved tensions in areas such as policy-making and policy compliance, managers especially are looking at a set of complex challenges ahead.



It's Time to Talk Travel Policy



In the quest for seamless, frictionless, simplified T&E management experiences that contribute to successful business outcomes by removing obstacles and distractions, one thing is clear: To be effective, policies need to put the employee first.

When that happens, business travelers buy into the program, feel protected and connected on the road, and reciprocate the trust by confidently using company-provided tools and solutions. Organizations reap the benefits of visibility and insight into their employees' individual preferences, travel practices, spending patterns, and other actions and activities that effectively help manage costs while maximizing returns.

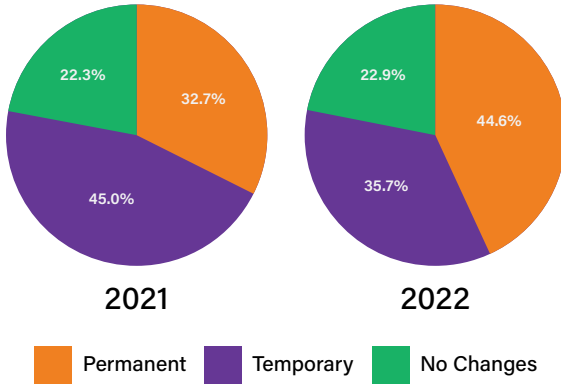
These are well-known truths for travelers, travel managers, corporate travel and spend decision-makers, and other finance leaders. But this year's Skift and TripActions survey findings suggest that both travel policy communication and travel policy compliance are flagging and in need of improvement.

Possible explanations include the current complexity of the travel environment, which may have otherwise well-intentioned travel buyers in a state of flux. They may be behind on updating their policies or not using the most effective channels to communicate policy to employees. For their part, travelers may be noncompliant because they are unaware of or do not understand current policy or how policy has changed in a rapidly fluctuating environment. Alternatively, they may have become accustomed to more off-policy practices and behavior during the pandemic and need to be brought back into the fold and up to speed.

Almost 45 percent of travel and finance managers said that their companies made permanent travel policy changes in the past year, compared to 35.7 percent who have made temporary changes. In 2021, those numbers were inverted, with 45 percent making temporary changes and 32.7 percent enacting permanent updates. In both years, between 22 and 23 percent said they were making no policy changes at all.

Ways That Companies Have Changed Corporate Travel Policies, 2021 vs. 2022

Travel and Finance Managers



Constant — and in some cases, significant — changes to travel policy over the past several years could in part contribute to the fact that more than one-third (35.4 percent) of managers said they have less than 75 percent compliance from employees. That figure is up 7.6 percentage points from the 2021 survey. Furthermore, only 19.3 percent of managers said that all their employees were fully compliant with travel policies in 2022, down a significant amount — 71 percentage points — from the 2021 survey.

One possible explanation for noncompliance is that corporate travel managers are not meeting employee demand for more flexibility in corporate policies as business travel resumes. Properly communicating policy — and policy changes, which can leave travelers adrift — remains paramount.

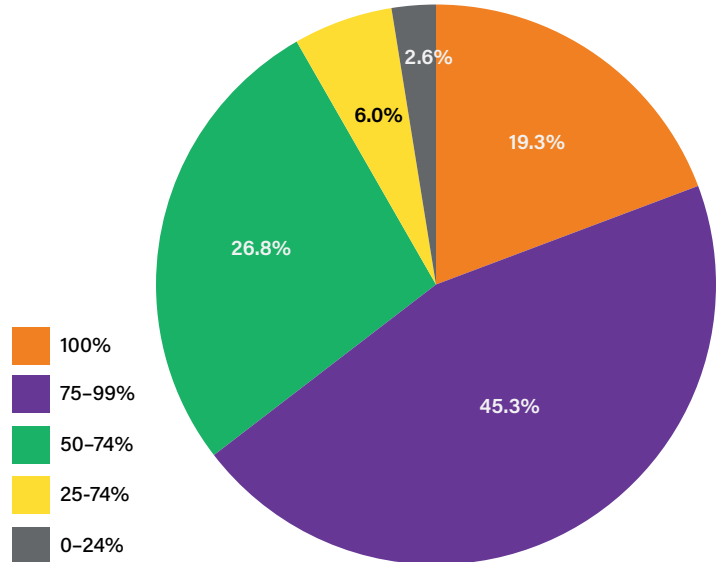
“People are very busy, so it is easy for messages to get lost amid the mayhem of a business day,” said TripActions’ Riegel. “Whatever it takes, whether that is through intranets,

“People are very busy, so it is easy for messages to get lost amid the mayhem of a business day. Companies must communicate these policies and their associated benefits every way they can at both the executive level as well as the manager level.”

- Michael Riegel
General Manager, EMEA, TripActions

Percentage of Employees Complying With Travel Policy

Travel and Finance Managers



newsletters, texts, or tweets, companies must communicate these policies and their associated benefits every way they can at both the executive level as well as the manager level!”

Already gaining momentum before Covid-19, the push for more elastic and relaxed understandings around travel choices picked up speed during the pandemic. This includes selecting, scheduling, and rebooking or canceling flights, rental cars, and hotels.

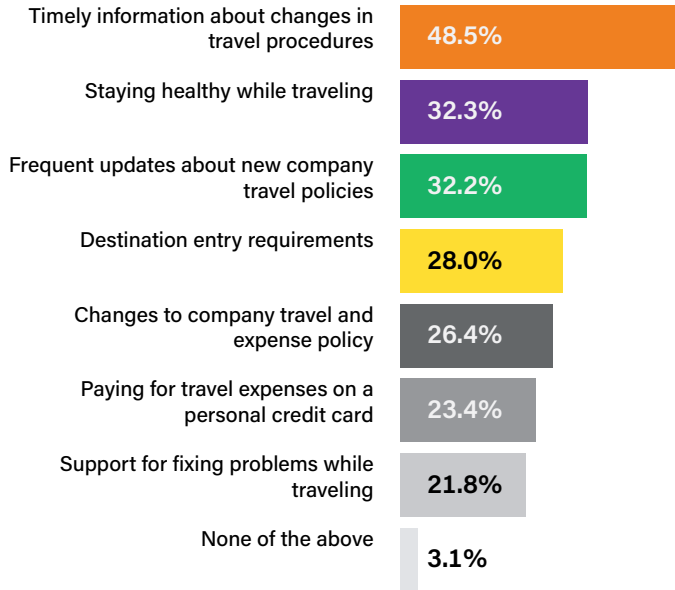
“One permanent change that companies have made that is showing up in their corporate travel policies is to prioritize employee well-being and sustainability,” said Riegel. “An example of that is surfacing nonstop flights over ones with layovers, even when it would save the company money. It’s a better experience for the traveler, and it’s better for the environment.”

Another unmet priority for employee satisfaction is enhanced, faster communication regarding new and revised travel policies. Nearly half (48.4 percent) of travelers named “receiving timely information” as their chief concern, 32.2 percent sought “frequent updates,” and 26.4 percent want to “understand changes to my company’s travel policy and expensing.”

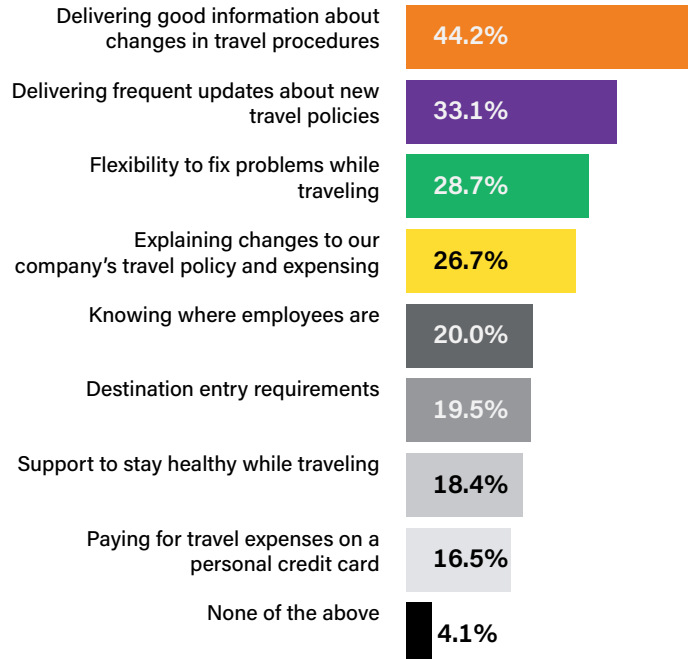
Meanwhile, 44.2 percent of managers want to deliver “good information” to employees, and also are concerned with

Biggest Concerns Regarding Traveling for Business in 2022 and 2023

Business Travelers



Travel and Finance Managers



delivering frequent updates (33.1 percent) and explaining changes (26.7 percent). In other words, both sides see lots of room for improvement.

The ability for companies to use travel management platforms to dynamically adjust policy and clearly communicate those changes to employees has become critical. On the heels of dealing with constantly changing circumstances regarding Covid-19 restrictions, this period of economic volatility has led to increasingly unpredictable pricing.

For example, IT solution software company ConnectWise formerly had a policy that any employee could book business class for flights over eight hours, which unfortunately resulted in an “in-policy” \$15,000 fare to Australia. But the company’s travel and expense manager, Mindy Owen, said that she was able to use a dynamic policy feature in her TripActions software to make a quick pivot and require manager approval for any business class fare.

“It’s so hard to have just a written policy that’s set in stone because the world is adapting and changing constantly,” said Owen.

Robin Bell, senior manager of procurement with software company Epicor, said that she took advantage of the time that her colleagues were not traveling in 2020 and 2021 to reexamine relevant policies and make use of the dynamic policy tools within TripActions’ platform. For example, she said that booking 14 days in advance was one of the company’s biggest policy violations. But let’s be honest: When customers ask sales or professional services employees for face time within that 14-day window, they’re not going to say no.

“It was just a blanket policy that’s not driving behavior,” Bell said. “We were able to listen to our travelers, listen to our culture, and layer in some reasoning to achieve the desired effect.”

When it comes to resolving issues in transit, travelers and managers both prefer communicating by email, followed by phone and chat. That may seem surprising, given that more than three-quarters of managers and 70 percent of travelers responding to the survey are 39 and younger — and would presumably choose the ease and immediacy of texting or chatting, given their personal mobile device habits. But there is an argument for the email paper trail and the personal touch of a phone call.

Whatever the channel, the survey suggested that neither travelers nor managers are sold on third-party travel-planning solutions. The data show that at most, only 30 percent of travelers “strongly” agreed that their travel agencies or platforms deserved high marks when it came to ease of use, trip support, change flexibility on the fly, and response times. Managers’ responses were around four to five percentage points lower when ranking these same service areas.

“We faced all the challenges that everybody else still faces on our legacy platforms where it’s rigid and not dynamic,” said Bell. “There’s no self-serve opportunities, and when they’re forcing you to call in and wait an hour, it’s disrupting the business.”

Owen agreed. “It’s great to have the ease of access on the admin side, and I don’t have to go to my TripActions rep and say, ‘Hey, can you turn this on for me? Or can you turn it off for me? Or can you do this?’” she said. “I can do everything myself on the back end in real time — because travel management is real time. I can’t let an email sit in my inbox for five days, because most of the time they need help within 24 hours.”

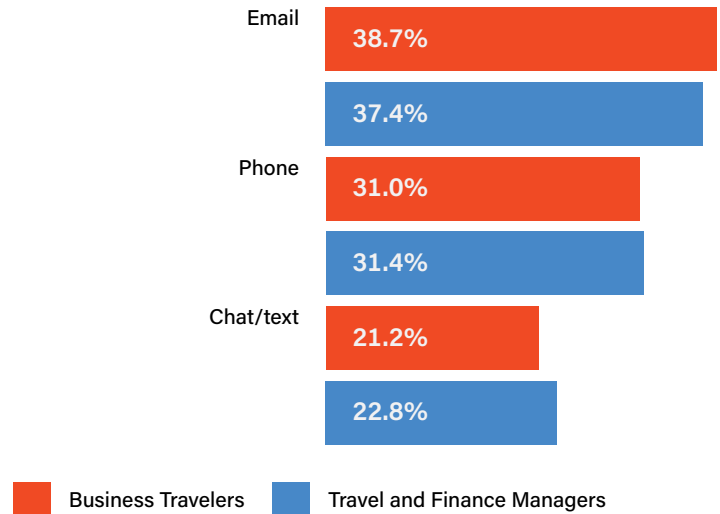
For corporate travel agencies and solutions providers, this divide represents a massive opportunity to improve the entire experience. For travel and finance managers, the communication, compliance, and satisfaction scores highlight the urgency to explore new solutions that will better suit the needs of their employee travelers and organizational goals.

“It’s so hard to have just a written policy that’s set in stone because the world is adapting and changing constantly.”

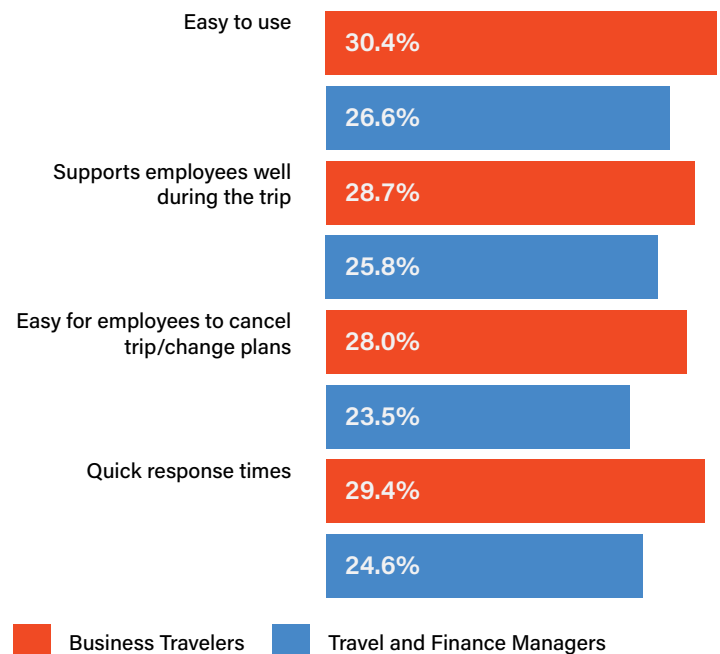
- Mindy Owen

Travel and Expense Manager, ConnectWise

Preferred Method of Communication to Use When Resolving Business Travel Problems or Emergencies



Agree or Disagree: “Our travel agency/ platform is easy to use and supports employees well during a trip.” Respondents Who “Strongly” Agree





Sustainability in Corporate Travel Uspends the Status Quo

Sustainable travel is gaining a foothold in corporate travel decision-making. As myriad efforts around the globe take shape, the near- and medium-term horizon appears poised for more upheaval.

For example, the U.S. Travel Association launched a [Sustainable Travel Coalition](#) in August 2022, which aims to develop travel strategies for a more sustainable future. At a market level, with larger implications for a meetings business becoming more concerned about its impact on sustainability, regenerative tourism and [“Meaningful Meetings”](#) are major strategic initiatives for Meet Atlantic City, the convention and visitor bureau for Atlantic City, N.J.

Furthermore, pressure to demonstrate responsible corporate practices has some companies rethinking modes of recommended transit. Indeed, [companies like Microsoft](#) have raised standards — especially for travel — in order to reduce carbon consumption.

For corporate road warriors, these developments could mean even more changes to the way they’re used to traveling. A July 2022 [Reuters article](#) reported on “a big gap between ambition and action on cutting CO2 emissions in business travel.” The article cited a [2022 GBTA survey](#), which found 88 percent of respondents viewing climate change as the number-one priority area for action, but only 14 percent thinking the travel industry is currently well advanced on sustainability.

Findings from the 2022 Skift and TripActions survey put the disconnect between travelers and managers on display. While about 25 percent of both sets of respondents “strongly” agree that their companies “encourage employees to seek sustainable business travel alternatives when they travel,” travelers were more inclined to “disagree” with this statement — 15.8 percent compared to 12.9 percent of managers.

Furthermore, travelers were also less likely than managers to say that their companies actually offered ways to help. Just 22.2 percent of employees “strongly” agreed that their travel policy offers tools to track emissions and sustainability contributions during business travel, compared to 25.1 percent of managers. Combined with answers for “somewhat” agreeing with this statement, more than 60 percent of managers were confident that their companies were making progress on this front, compared to about 55 percent of travelers.

Similar to the solutions that may remedy communication and compliance issues cited across the survey, more can be done to drive change and adoption by incorporating easy-to-use sustainability and carbon footprint-tracking features into corporate travel and expense tools.

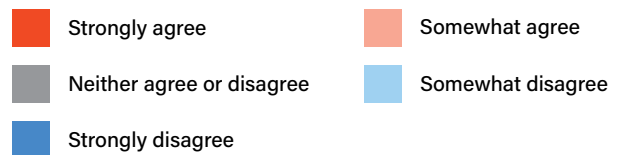
“Part of the problem with sustainability in travel has been a lack of information,” said Tim Russo, senior director, fintech partnerships and business development, TripActions. “You pick a flight based on time, location, and cost, because that’s the only information you see. But carbon-tracking tools surface another consideration for travelers. The more that everyone pushes the envelope, the faster that traveler habits will change.”

Agree or Disagree: “My company encourages employees to seek more sustainable alternatives when booking business travel.”

Business Travelers

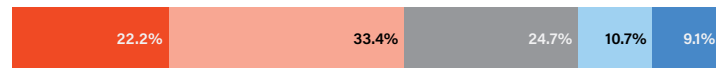


Travel and Finance Managers

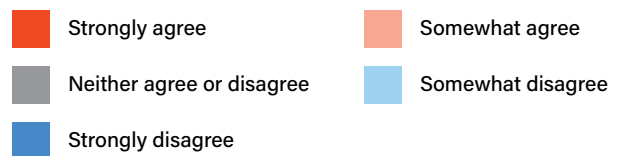


Agree or Disagree: “My company offers tools to employees to track emissions and sustainability contributions during business travel.”

Business Travelers



Travel and Finance Managers



Align, Streamline, Simplify: The Future of Travel and Expense Technology



Simplifying corporate T&E policies, programs, and solutions has become a strategic priority for travel and finance managers. Increasingly, these managers are requesting tools that can seamlessly link fragmented pieces of the full experience — including booking, trip management, customer service, and expensing — all in one convenient interface. The streamlining of these functions reduces costs, saves time, enhances traveler comfort and satisfaction, and above all, elevates business results and outcomes.

Sound familiar? That's because it's not a new trend.

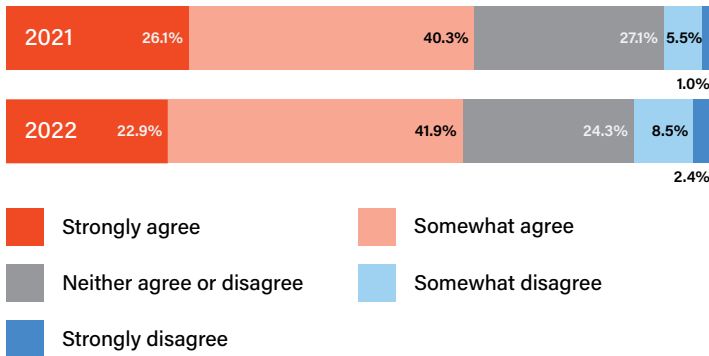
According to a 2017 survey by the Association of Corporate Travel Executives, 72 percent of travel buyers indicated that simplification would be a strategic priority for the year ahead.

This year's Skift and TripActions survey suggests that five years later, managers especially are still in search of answers. Confidence in and satisfaction with legacy corporate travel tools is waning compared to 2021, as corporate card and expense trends reiterate the need for more streamlined solutions that are easier to use.

In addition, managers are struggling to align solutions with today's policies, which may reflect readjustment pains in the post-pandemic travel environment.

Just 22.9 percent of managers strongly agreed that they had the tools to create more nuanced policies than prior to the pandemic, a dip of more than 3 percentage points from 26.1 percent in 2021. (See chart at top of next page.)

Agree or Disagree: “My company has the tools to create more nuanced and dynamic expense policies than we had pre-pandemic.” 2021 vs. 2022



Legacy corporate travel tools and platforms are also causing increased frustration. On a scale of one to 10, travel and finance managers’ average satisfaction score with corporate travel tools and platforms was just 6.7 in this year’s survey, down from 7.7 in 2021. Nearly 40 percent of the respondents voted 6 or less.

“We keep hearing from customers how they’ve been cobbling various systems together in a reactive attempt to fix problems,” said Riegel. “For some, their T&E systems have become more complicated than ever before, and they’re still encountering some of the same issues, like off-platform bookings, high costs, and unenforced policies. Many of these companies now realize that every new issue will require yet another tool or process layer. So when they hear that one tool can streamline the entire T&E process, improve traveler safety, save the company money, and make employees happier, they see that this is a proactive choice that can help set them up for the future.”

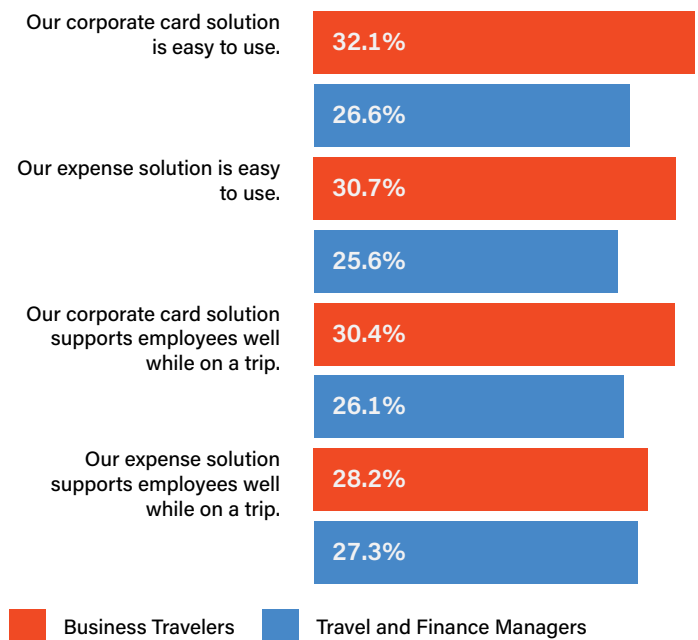
“When [our customers] hear that one tool can streamline the entire T&E process, improve traveler safety, save the company money, and make employees happier, they see that this is a proactive choice that can help set them up for the future.”

- Michael Riegel
General Manager, EMEA, TripActions

Travelers, meanwhile, are more confident than managers in their corporate card and expense solutions. For instance, 32.1 percent of travelers “strongly” agreed that their corporate card solutions were easy to use, 5.5 percentage points higher than managers (26.6 percent). Meanwhile, there was a 5.1 percentage point differential between travelers (30.7 percent) and managers (25.6 percent) when it came to “strong” agreement on the ease of use for expense solutions.

More than 30 percent of travelers were highly satisfied with corporate card support on a trip, vs. 26.1 percent of managers. The gap was smaller when it came to expense-solution satisfaction, with just over 28 percent of travelers “strongly” agreeing that their expense solutions supported them well on a trip, in comparison with 27.3 percent of managers.

Agree or Disagree: “Our corporate card or expense solutions are easy to use and support employees well during a trip.” Respondents Who “Strongly” Agree



More than three-quarters of travelers (76.7 percent) would prefer to pay for work travel expenses with a company-issued card, according to the Skift and TripActions survey, up from 70.7 percent in 2021. In 2021, 68.7 percent of managers strongly or somewhat preferred that their employees use a company card to pay for travel expenses — a number that dipped to 66.1 percent in 2022. (See chart at top of next page.)



Agree or Disagree: “We would prefer to pay/our employees pay for work travel expenses with a company credit card.” Respondents Who “Strongly” or “Somewhat” Agreed, 2021 vs. 2022

Business Travelers



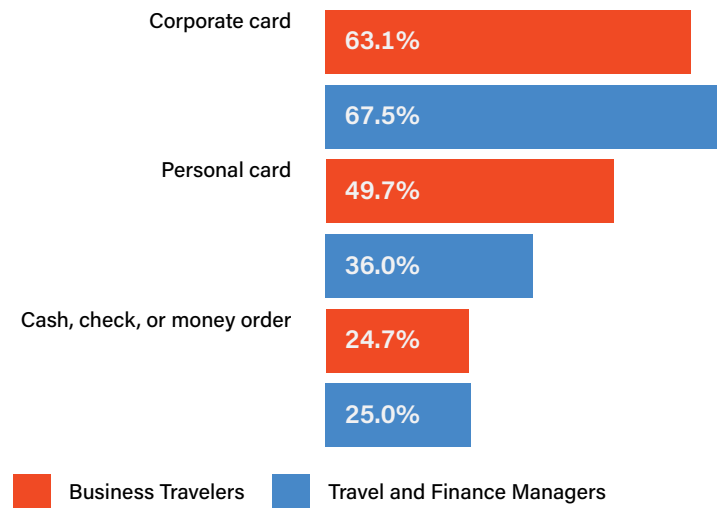
Travel and Finance Managers



Overall, 63.1 percent of travelers in this year’s survey said they pay for travel expenses with company cards — up significantly from 48.2 percent in the 2021 survey — while 49.7 percent pay for some travel expenses with personal cards. In this year’s survey, 67.5 percent of managers said travelers are using a company card, while far fewer (36.0 percent) said their employees are purchasing travel with personal funds.

“One big concern for employees is paying expenses with personal funds and wondering how long it will take to be reimbursed,” said TripActions’ Russo. “When a company is processing expenses manually, it can be a long wait. Monthly reconciliation can take days or weeks.”

Types of Payments Used for Employee Corporate Travel



Legend: Business Travelers (orange square), Travel and Finance Managers (blue square)

While corporate cards remove the need for using personal funds, they can also cause headaches for corporate finance teams.

“One big concern for employees is paying expenses with personal funds and wondering how long it will take to be reimbursed. When a company is processing expenses manually, it can be a long wait.”

- Tim Russo

Senior Director, Fintech Partnerships and Business Development, TripActions

“Corporate cards can raise a different concern for finance teams, since giving everyone a card can result in less control over spend,” continued Russo. “Fortunately, that’s not an issue with TripActions, since we offer finance teams the ability to customize card policy per department, seniority level, or even by individual employee. Everyone can have their in-policy cake and eat it, too.”

Furthermore, TripActions knows when employees are on a trip, because corporate cards are connected to the travel management platform. ConnectWise’s Owen explained that if an employee submits an expense for a meal, she will immediately know if that should be permissible depending on that employee’s travel status.

There’s another huge advantage with hotel payments. There are so many ways to pay for hotels — up-front, one-night deposit, upon arrival, upon check-out — and a lot of business travelers are understandably confused about when they should expense each piece of the payment. Sometimes, Owen said, they can even forget what they paid for and try to expense it twice. By having travel, card, and expense aligned, the system can immediately catch those types of mistakes.

“They don’t do it intentionally,” she added. “Especially our execs, they’re not always paying attention to their bank statements.”

In terms of reimbursement time, managers are increasingly less satisfied than travelers. In this year’s survey, just over 28 percent of managers “strongly” agreed that they were satisfied with the time it took for their companies to reimburse travelers for expenses; 33.1 percent of employees said the same. Both numbers were down from 2021, when 35.5 percent of employees and 29.9 percent of managers strongly agreed that reimbursement time was satisfactory.

This lag is likely due to the fact that 40 percent of employees input their expenses the old-school way: manually. Needless to say, this method is not only inefficient and outdated — and ripe for change based on the availability of automated technology solutions — but is also a bad compliance practice.

Automation is essential to handle the cost and complexity of corporate travel and expense in the post-pandemic environment, said TripActions’ Russo. Legacy solutions don’t scale, and they haven’t evolved or innovated to keep up with today’s pace of change. In particular, dynamic policy is foundational to a successful travel and expense program.

Agree or Disagree: “We are satisfied with the amount of time it takes the company to reimburse employees.” Respondents Who “Strongly” Agreed, 2021 vs. 2022

Business Travelers



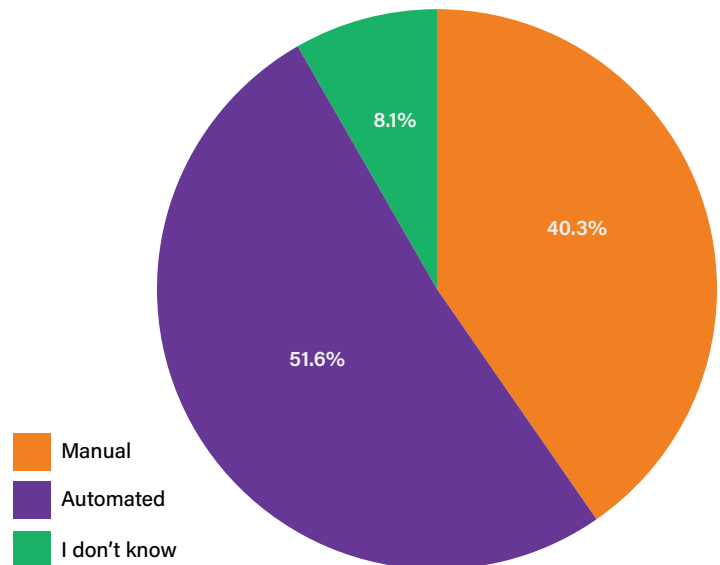
Travel and Finance Managers



2021 2022

Employee Expense Report Process Solution Types

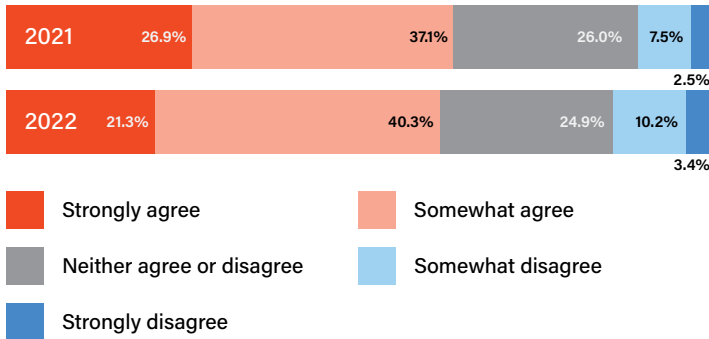
Travel and Finance Managers



“When the system automatically sets benchmarks for fair prices in particular destinations for particular dates, it allows companies to decide what’s in and out of policy,” he said. “But it gets even more interesting when you consider how it can spur other features. Using a dynamic benchmark, companies can choose to incentivize employees for making choices that save the company money, by splitting the savings with them. With dynamic policy, everybody can win.”

Agree or disagree: “Our company would be interested in a travel solution that provides a more unified travel and spend platform, rather than separate solutions.” 2021 vs. 2022

Travel and Finance Managers



Survey responses to Skift and TripActions in 2021 affirmed the growing need for all-in-one travel platforms, and the accompanying report discussed a “prime opportunity to fix the mishmash approach with simpler, more seamless solutions.” Nearly two-thirds (63.9 percent) of manager respondents to the 2021 survey were strongly (26.9 percent) or somewhat (37.1 percent) in favor of “a more unified travel and spend platform, rather than separate solutions.”

In 2022, however, managers strongly agreeing with this statement dropped to 21.3 percent. And while the “somewhat” group was up to 40.3 percent, hesitation is evident.

Why? Cost is one factor holding back 40 percent of managers, along with having to train employees (43.3 percent). Another is the perception that their current tools are already sufficient. A significant portion (29 percent) of managers are concerned about switching to an all-in-one solution because they feel they already have something that meets their needs.

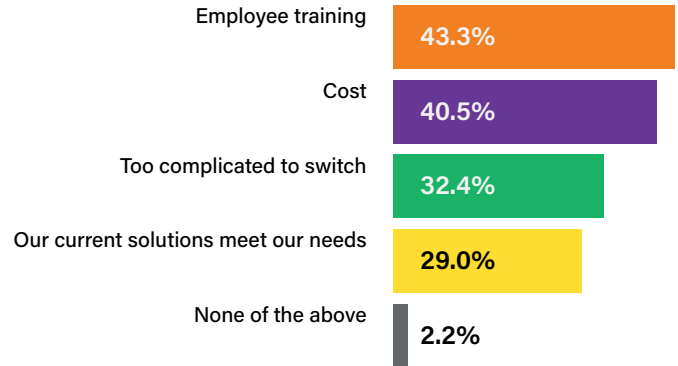
“All of those things that are really scary about a new system — like implementation, advanced configuration, change

“All of those things that are really scary about a new system ... are not so scary when you do the work to match your culture to the platform.”

- Robin Bell
Senior Manager of Procurement, Epicor

Concerns About Adopting an All-in-One Solution

Travel and Finance Managers



management, and training — are not so scary when you do the work to match your culture to the platform,” said Epicor’s Bell. “One of the biggest challenges with any system change is adoption. But when you’re moving to a system that’s so easy to use — you don’t really have to train on it, it’s single sign-on, and it’s the same for everybody — it’s just so easy to deploy and maintain as people come and go and adopt it for the first time. And then on top of that, you have the value-add downstream with historical trending, real-time data, automated approvals, and all of those things that are really important.”

Riegel added how this hesitancy and short-term focus on cost savings overlooks the opportunity to create longer-term cost efficiencies.

“The pandemic upended everything about travel, and remote work completely changed the way employees were spending, so managers were more open to considering all possible solutions,” he said. “Now that the world has adjusted, perhaps companies don’t see switching to an all-in-one solution as a do-or-die decision. But they are missing out on just how much money and time a unified T&E platform can save them.”

Riegel pointed out a [Forrester](#) study on the economic impact of the TripActions solution specifically, which found that it reduced travel spend by more than \$800,000 over three years. The increased operational efficiency from TripActions for expense management was worth more than \$225,000.

“What company couldn’t use \$1 million right now?” Riegel asked rhetorically.

Conclusion

Covid-19 is unlikely to go away for good. Road warriors must still mask up and show vaccination status in certain situations, especially on international routes. For the time being at least, continuing awareness and vigilance are prudent as a matter of health, safety, and duty of care.

Mostly, though, business travelers are back in action and eager to meet clients, attend conventions and trade shows, and engage in other time-honored revenue and growth drivers. As they are discovering, however, the pandemic may have permanently altered the corporate travel landscape.

Remote and hybrid scenarios have created a new workforce and business travel paradigm that will be hard to shift. This reality alone has raised challenges and opportunities for travelers and both travel and finance managers. Everyone is navigating new expense and reimbursement structures as well as evolving travel purposes and patterns, such as for corporate offsites and retreats.

The pandemic also accelerated the growing global push for more sustainable travel, which is already impacting how travelers choose and book air travel especially.

Global economic headwinds, including rising inflationary pressures, are also complicating the recovery by sharply driving up the cost of airline tickets, hotel rooms, and gas prices. The ongoing chaos of flight delays and cancellations is not helping matters.

Together, these forces have brought the world of business travel and expense management to a critical head. If the perennial message about the grinding inefficiency, cost, and ultimately ineffectiveness of legacy travel and expense providers and systems had not gotten through before to travel managers and corporate financial decision-makers before, it is now blaring like a fire alarm.

The good news? Erasing the pain of manual and other outdated travel and expense management modes can be as easy as pushing a button — that is, after upgrading to a modernized, automated, dynamic, and innovative solution.



Once that's implemented, travelers can look forward to adjusting and managing their travel on the fly, without having to call for help, as well as an expense and reimbursement experience free of paper receipts, line items, and manual input. Travel and finance managers can take advantage of clear communications, policy compliance, and confident travel decision-making and planning — as well as total transparency, visibility, and control over travel spend and business ROI.

Realizing these critical values and benefits can transform the future of business travel. By adopting an all-in-one, end-to-end solution, companies have the opportunity to reap the rewards of alignment, simplification, and streamlining into 2023 and beyond.

About Skift

Skift is the largest intelligence platform in travel, providing media, insights, and 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.

About TripActions

We believe being there in person is powerful. It enables employees to build relationships, close deals, and drive growth. Fast becoming the default for corporate travel and expenses, TripActions is the leading, cloud-based T&E platform that combines innovative technology with best-in-class travel agency service. TripActions delivers consumer-like ease-of-use with powerful personalization, unrivaled inventory, 24/7 travel agents, and streamlined expensing employees love. As a result, enterprises achieve high adoption, getting the data and insights needed to protect traveling employees while controlling costs and saving money.

Trusted by 8,000+ companies, TripActions reduces average booking time from 60 minutes down to less than six while achieving 90%+ traveler adoption, an unprecedented 93% traveler satisfaction, and up to 34% savings on lodging alone. Deliver a great T&E experience for employees while controlling costs to power your organization's growth with TripActions. tripactions.com