

Corporate Travel 2030

SAP Concur 

Preparing for the future
in a transforming industry



04–07

Predict and prevent

Data and predictive analytics
to transform travel booking

13–15

In the line of duty

Real time intelligence gives
TMCs a handle on disruption

20–21

Global payments

Emerging technology will
guarantee secure exchange

Contents

03	13–15
The road to 2030	In the line of duty
04–07	16–17
Predict and prevent	The corporate carbon footprint
08–09	18–19
Knowing your traveller	Clock on, clock off
10–11	20–21
The power of partnerships	Global payments
12	22
The corporate travel ecosystem	Embracing the ecosystem

The road to 2030

**Pierre-Emmanuel
Tetaz**

SVP EMEA,
SAP Concur

By 2030 the world of business travel will be transformed by technology, making use of everything from autonomous vehicles to blockchain

Flying taxis, hyperloops, autonomous vehicles, electric regional aircraft – we're at the dawn of a new era in corporate travel. By 2030, connected vehicles that think for themselves will change the world of business trips.

Twelve years into the future may not seem that far away, but with technology accelerating at its current pace, much will happen in that time. After all, if we rewind the clock twelve years, smartphones and apps didn't exist, Twitter was just about to launch – Uber and Airbnb hadn't yet been imagined. But what won't change by 2030 in the corporate world will be the need for businesspeople to travel to build trust, and for employers to provide duty of care during their journeys as their employees hop around the globe, working out of shared spaces and travelling in shared modes of transport. It will be a workforce that operates flexible hours, freed from the timetable office environment we know today – and in fact, duty of care will become a baseline that protects employees throughout their careers, not just when they're out on the road.

Risks will be autonomously minimised using predictive analytics, and quantified and factored into the

business traveller's itinerary – itself no longer a static pre-planned to-do list. Instead, itineraries will become dynamic, agile and self-thinking entities powered by artificial intelligence, personalised to the traveller's preferences, compliant with company travel policy, and tweaked by the individual traveller using a digital conversational interface. Partnerships will be key to delivering safe and commercially effective journeys for tomorrow's road warrior by sharing and leveraging data in new ways that bring value and benefit to the traveller, their employer, the travel management companies (TMCs) and the broader travel ecosystem.

In this new world, business travel will seamlessly align with the employer's sustainability agenda, and travel costs will be optimised through the use of AI tools. Protecting all of these things will be incorruptible systems of payment and data management – most probably encapsulated using blockchain technology.

Corporate travel is undergoing a radical transformation and SAP Concur is at the forefront of it.

**Welcome aboard for our journey
into the future.**

Predict and prevent

Intelligent automation will bring agility to the booking process, responding on-the-fly to risks ranging from inadvertent infringements of local regulations to the weather

The art of travel booking can be distilled down to smart planning, the agility to adapt the journey on-the-fly as business requirements change, and – most importantly – the foresight to anticipate and provide for the unexpected. Experience, destination intelligence and risk analysis guide today's planning processes, but by 2030 booking processes will be delegated to autonomous tools, digital conversational interfaces, big data and artificial intelligence. These tools will be indispensable, for travel disruption is staggeringly costly – to frequent travellers, employers, TMCs and transport suppliers alike.

WHATEVER THE WEATHER

According to a PwC study commissioned by Airlines for Europe, air traffic control strikes between 2010 and 2016 cost Europe's economy €12bn. Then there's nature: Iceland's volcano eruption in 2010 led to 100,000 flight cancellations and cost Europe \$5bn by the OECD's reckoning.

Travel disruption comes in other forms, too – air and road infrastructure operating at capacity, the knock-on effect of missed connections, flight overbookings, delays due to vehicle malfunctions, and security incidents.

We'll never control the weather, but by 2030 we should be able to mitigate its disruptions thanks to smarter booking processes and disruption-management systems fed on data – generated by business travellers – that can be mined for insights which can be leveraged pre-emptively to anticipate and sidestep problems.



TMCs will become more focused around data and predictive analytics as they get more involved with expense and total cost management, rather than just travel management

ADRIAN PARKES, CEO, GTMC



"Travel disruption between now and 2030 will probably get worse because infrastructure is getting clogged up. The role of TMCs will change with the technology around AI and bots", says Adrian Parkes, CEO of the GTMC, the TMC's industry body. "TMCs will become more focused around data and predictive analytics as they get more involved with expense and total cost management, rather than just travel management. It's already happening – our members have really good data

analytics, they're employing really smart young guys: brand specialists, data insight and e-commerce analysts too, bringing a whole new generation into the industry."

Many TMCs believe that, by 2030, predictive analytics could enable meetings that involve multiple participants to be booked by people chatting to their smartphones or Alexa-type devices – and the itinerary will start building itself.

"For simple transactions, a lot could move to voice bots. But there will be a role where people want a bit of VIP service – they're spending a lot of money," says Parkes. "They'll have to go through policy and approval management and want to know they're getting value. There will still be a place for the human approach to things in 2030."

From one TMC's perspective, AI and predictive analytics are key: "AI programming was available in the '70s and '80s, but the cost of applying it to business travel hasn't been possible until now" says Jo Dobson, Senior Director of Sales UK&I, Carlson Wagonlit Travel. "Between now and 2030 it's the speed of technology and the price of delivering it that's speeding up the expectations of the traveller."

"The main reason for travel disruption is weather. But by 2030 each trip will be

personally monitored," says Dobson. "We get predictive forecasts now, but by 2030 that's going to become more advanced – we'll be able to start rebooking people on flights if we think they're going to be cancelled."

PERSONALISED PLANNING

By 2030, AI and better ecosystem connectivity will enable the booking to build itself, within policy, with the traveller's preferences leveraging loyalty rewards – to go and get an upgraded hotel room, for example.

"Imagine you're in Outlook or Google, or wherever you run your life, and as soon as there's a hint that a trip is being planned the AI will start looking for the best possible travel scenario – because it's already learnt about your flight and hotel preferences, knows the travel policy and what you like with ever more intelligence," explains Christopher Baker, Managing Director for SAP Concur EMEA North.

Some corporates might be spooked by the notion of an AI bot organising their travel logistics, but Baker reminds us that not long ago we were driving around with a map on the passenger seat and had to pre-plan a route before leaving home: "Now we absolutely depend on our satnavs

which talk to the roads and the traffic information systems and reroute you around the problems – so why not have the same tech working for us in the corporate travel world, rerouting us and changing plans without us even knowing about it?”

To enable this, technology needs to understand our past behaviours and preferences. One of the behaviours travel booking systems can track using historical data is that some people plan ahead, so there’s a statistical chance a booking could be made now for a trip that happens in three months. Others leave it late, tending to make last-minute changes.

By 2030, AI will know to make changeable reservations only for people with a history of last-minute changes, whereas travellers who plan ahead could have prepaid reservations to achieve lower fares.

An analytics-based booking strategy will also help travellers avoid infringing immigration or tax regulations, says Baker: “If you’re travelling a lot to somewhere like Asia or the US,

suddenly you find you’re liable for income or corporate tax. Worse still – you might’ve been there so often that next time you’re on holiday, they could say ‘sorry you can’t come in, you’ve been in too much’.”

The partnership between SAP Concur and EY will steer booking options around potential infringements. And that’s vital for tracking an employee’s availability to travel compliantly. Besides, says Baker, “In some cultures you’re not going to do business unless you’re there, face-to-face, shaking hands and building respect.”

That matches the continental European viewpoint: “In the digital era, everything is virtually connected. This can also be accompanied by uncertainty and complexity, which creates a need for personal encounters to stabilise relationships,” says Goetz Reinhardt, MD MEE, SAP Concur. “That’s why there’s always a need to travel for business. If you look at statistics, a VDR analysis reveals that in 2016 there were 11.3 million business travellers in Germany – up 2.3 per cent from the previous year.”

But back to those ash clouds and ATC strikes. By 2030, our ability to predict volcanic eruptions may only be marginally improved, but understanding weather problems should have advanced significantly. And when it comes to man-made disruptions such as ATC strikes, data will be able to evaluate risks: AI will be scanning news reports for threats of industrial action, and scouring social-media to assess employee sentiment to predict the probability of strikes. The likelihood of specific disruptions will be factored into booking, pre-emptively rerouting travellers via alternative modes of transport or

switching us through unaffected hubs – just as seamlessly as our satnavs today help us dodge the traffic jams.

KEY TAKEAWAYS

- » Adverse weather conditions will become less disruptive to business travel thanks to emerging technology
- » Predictive analytics will anticipate disruptions and reroute the traveller – often without them being aware of it
- » AI will use data on individual behaviours and preferences to automatically build the most suitable journey

“
We get predictive weather forecasts now but by 2030 that’s going to become more advanced – we’ll be able to start rebooking people on flights if we think they’re going to be cancelled

JO DOBSON,
SENIOR DIRECTOR OF SALES UK&I
AT CARLSON WAGONLIT TRAVEL



46%

of business travellers do not require pre-trip approval for domestic travel

24%

do not require approval for international travel

Source: Concur/GBTA, Booking Behaviour: How do your business travellers compare? (2017)



FOCUS

Governance of business travel data

The use of AI, big data, and conversational user interfaces supporting business travel has some hurdles to clear, as individual users take control

The first challenge in making use of the new generation of IT tools is the EU's General Data Protection Regulation (GDPR), which comes into force on 25 May 2018, with heavy penalties for non-compliance. With data the lifeblood of corporate travel, stakeholders must be scrupulously diligent with management of personal information. And in anticipation of this, the corporate world has been preparing for GDPR for years. But the underlying question is: Who owns the data? Travel managers? IT? Finance? The answer, Baker explains, is that it is none of these.

"With this vision of the future the individual needs to have ownership of their data, especially if we're talking about their passport, their credit card number, their loyalty programmes and personal preferences. Now and in the future, there's a massive challenge for travel companies because this connected ecosystem that we have in the corporate travel world needs individuals' data, and it needs permission for data to be moved between the different parties. But I think that a technology like blockchain would enable the individual to own it."

IATA's 2017 Global Passenger Survey identified that "85 per cent of passengers want airlines and airports to offer them a more customised travel experience and are willing to provide more personal data to make this happen."

The second hurdle is surmountable, too, as soon as people appreciate the benefit of sharing their data to enable a more personalised user experience.

"It's going to take more consumerisation so people get used to AI. Most people have got Alexa or their preferred home-command system, and people are getting used to controlling their house with their voice to turn the temperature up or switch music on", says Baker. "As people get to trust AI technologies in the home, they'll become more accepting of AI in the workplace."

KEY TAKEAWAYS

- » Data is the DNA of smoother business travel in the future
- » Industry studies show that corporate travellers are comfortable with this trend

Knowing your traveller

Business travellers expect smarter, more personalised experiences. NDC will help knit the seams to make that possible

"I go to the same hotel every other week, and when I get there they ask me who I am and get me to fill in a piece of card with my name and address. Every time. It's just crazy if you think about it", says Jo Dobson, Senior Director of Sales UK&I at Carlson Wagonlit Travel.

"I knew a world without email and without smartphones, but it already annoys me, so can you imagine what the traveller of 2030 will be like? Their expectations for everything to be personalised and seamless will be unbelievable. I think the suppliers and the TMCs that cannot deliver personalisation are the ones that will struggle."

KEEPING EMPLOYEES HAPPY

They'll struggle, Dobson believes, not only because their clients' custom will be taken elsewhere. With an anticipated skills shortage looming, job seekers could

become choosy – to the extent that employers that fail to offer prospective employees a personalised work experience – which includes personalised travel – will find it difficult to attract and retain the best talent.

"In the last ten years the traveller's expectations and attitudes have dramatically changed from 'I work for a corporate company and I have to follow a policy; I need to follow the line of what I'm told to do,' to what we're seeing now which is 'I want to plan my own trip, and if I'm going somewhere on business long-haul I'm going to go out two days before and have a bit of a holiday, because, you know, work isn't everything.' I think we're going back to that work-life balance and everybody being able to do what they want, when they want to do it, but still be within the policy parameters of what the employer wants them to do."

NEW DISTRIBUTION CAPABILITY AND THE PROMISE OF PERSONALISATION

One potential path to joining the personalisation dots between the traveller and the other elements of their journeys is through the evolution of

NDC (New Distribution Capability), the IATA initiative launched in 2012 using an XML-based standard "to enhance the capability of communications between airlines and travel agents." NDC promises to enable the travel industry to transform the way products are retailed to corporations, leisure and business travellers through delivering access to rich content and personalisation.

Five years ago, when NDC was at an embryonic stage we were one of the first TMCs that IATA consulted. We quickly recognised the future need to re-engineer our ecosystem and the platforms we work upon. That remains my view now," says Julie Oliver, Managing Director of UK-based TMC Business Travel Direct. "From the outset, the concept of NDC was that richer content would enable deals to be personalised. It will be a real step forward when we're able to say to clients, 'choose this airline rather than that one and you'll get wi-fi, seat pitch which is three inches more, dinner that can be served when you want it and blankets when you want to sleep'."

But business travel in today's world – and even more so by 2030 – requires the ability to modify the journey's booking attributes on-the-fly. To what extent is NDC delivering that today?



Can you imagine what the traveller of 2030 will be like? Their expectations for everything to be personalised and seamless will be unbelievable

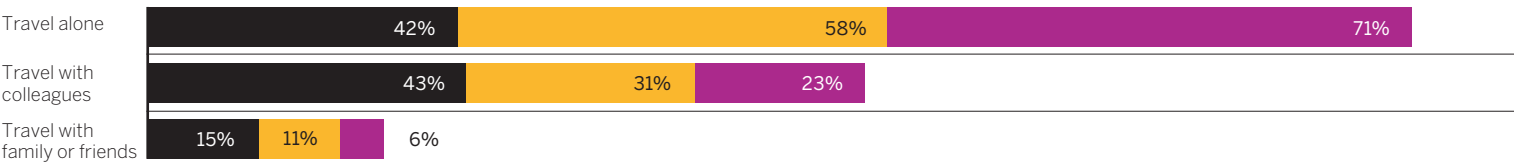
**JO DOBSON,
SENIOR DIRECTOR OF SALES UK&I
AT CARLSON WAGONLIT TRAVEL**



Business traveller behaviour

Base: 1,900 business travellers from 16 countries around the globe

● Millennials ● Generation X ● Baby boomers



Source: Carlson Wagonlit Travel, CWT Connected Traveler Study (2017)

“At the moment that doesn’t happen”, explains Oliver, “but when it does come it’s going to be very empowering and it will really highlight those airlines that are investing in their product. We do understand airlines’ motivation for NDC, although at this point the technology isn’t quite there. It will get there - but we think NDC requires a couple more upgrades before it’s ready for the business traveller. ”

KNOWING THE NEEDS OF THE INDIVIDUAL

The roadmap towards knowing the corporate traveller is facilitated by a platform infrastructure which aggregates “the largest set of travel metadata compared to any other player in the world – GDS, non-GDS, and we’re aggregating travel requests, spend data captured via expenses with identifiable merchants. It’s about looking at pattern recognition – and using that to deliver personalisation,” says Doug Anderson, SVP Product Strategy at SAP Concur. “We see what usage

patterns look like – when and how people submit expenses, for example; who wants to finish all their wrap-up expensing at the desktop versus who’s using mobile apps to manage it along the way.”

This kind of behaviour pattern recognition could help a traveller recover after a long flight: As they connect their calendars to the booking-management technology of the future, the system will see how people block space on their calendars and manage their time relative to their travel. By 2030, the traveller’s personal routines could influence when flights are booked and when business meetings are arranged. An individual’s itinerary could be synchronised to the bookings of business counterparts to harmonise work schedules and rest periods, maintaining a balance of well-being and work productivity for entire teams. But how might the corporate traveller of the future maintain equilibrium between personalisation and intrusion in a world managed by automated processes?

“I think the way you maintain the balance is you let the traveller decide,”



1 in 5
business travellers
have cancelled
a trip over
security concerns

Source: Carlson Wagonlit Travel, CWT Connected Traveler Study (2017)

says Anderson. “We should not be imposing personalisation. Employees should see the benefit of it and want to adopt it, because the reality is to deliver personalisation on certain aspects you’re going to need travellers to feel comfortable with the data you’re collecting. If they’re not, that’s fine – but it’s going to constrain the benefits that could be provided – but you should let the travellers decide for themselves.”

KEY TAKEAWAYS

- » The traveller of 2030 will expect a highly personalised journey
- » Skills shortages in Europe mean employees can be choosy when it comes to selecting an employer – they’ll opt for that those offering flexible business travel
- » NDC is an initiative that promises to deliver personalisation while enabling corporates to monitor the business side

THE POWER OF partnerships

Partnerships making use of common platforms will be a key tool in confronting ever-changing regulations and risk factors

While corporations seek global reach, travellers and TMCs have to cope with many obstacles: strict security at airports; confusing “take-on-board” rules; new tax, visa and client entertainment regulations; credit card fraud; intricate duty-of-care obligations – not to mention carbon footprint. It’s beyond the management capabilities of any one organisation, so no wonder traditional and “new economy” players alike are tapping the power of partnerships.

A specific example? Airbnb. Their partnership strategy straddles the experiential side of travel (such as its collaboration with London’s Natural History Museum, offering guests of the popular “Dino Snores for Kids” sleepovers a chance to stay at Airbnb’s

Base Camp) as well as “Business Travel Ready” solutions – lodgings equipped with workplace amenities.

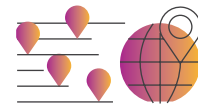
“Our partnership strategy is to provide control and insight to business travellers – and those who manage them – and provide the easiest channels for them to find and book unique properties all over the world,” says David Holyoke, Global Head, Airbnb for Work, who points out that, as we head for 2030, “the two biggest things to look out for are increased demand for experiential travel and the blurring of work and business or ‘bleisure’ – people won’t see work and life as two different things.”

Partnerships, he says, aren’t just about expanding customer-base –



25%

of all travellers used Airbnb in the last 12 months



34%

of Road Warriors (11+ trips/year) used Airbnb for business travel in the last 12 months

Source: Morgan Stanley, Internet, Lodging, Leisure (2017)

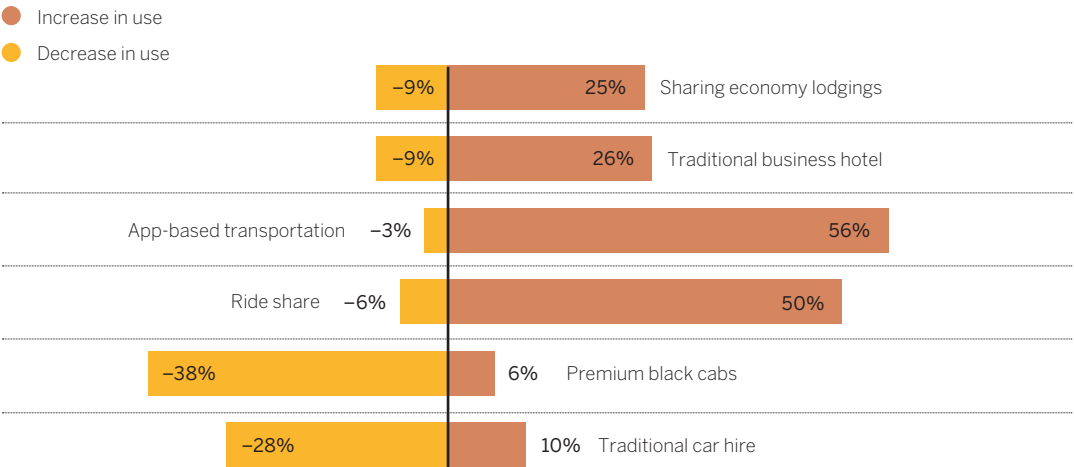
there have to be underlying synergies between partners.

“More and more people are looking for alternative accommodation when it comes to longer stays and relocations. We know business travel is the loneliest type of travel. To that point, there’s a growing movement of business travellers who are looking for more personalised experiences.”

“We know there’s growing pressure for companies to create responsible travel programmes centred around duty of care to protect employees. Diversity is what travellers want. We work closely with companies that want to ensure the listings their employees book are in line with their travel policy and preferences, while continuing to use corporate tools that sync with their security processes,” says Holyoke.

How are business travel preferences changing?

Base: 239 corporate travel buyers from around the world



Transport and lodgings are perhaps the most visible elements of business travel, but partnerships are key to administrative business functions, too. SAP Concur’s recently forged partnership with EY acknowledges the need to enable a smoother path for the business traveller in areas of tax and

“
Our broader partnership strategy is to provide control and insight to both travellers and those who manage them, and provide the easiest channels for business travellers”

DAVID HOLYOKE,
GLOBAL HEAD, AIRBNB FOR WORK

immigration. As disruptors enter the corporate travel world, the taxman is catching up – there are more regulations, more admin and potentially more tax to account for. Owners of properties listed under Airbnb are now required to collect tourist tax in some locales, whereas before it was a grey area.

The other area is immigration, where rules are constantly changing and which could, in Europe, become more complex after Brexit. Jodi Koskella, Senior Director, Platform & Partner Marketing at SAP Concur, points out: “Another trend is that more and more companies, instead of relocating their employees on a specific assignment, are now sending them on business travel for two or three months – they don’t have to worry about a visa, and then they send them out again. But at some point you start to trigger taxes and immigration factors.” Partnering with EY is an effective way to add expert vigilance into the system to track employees’ whereabouts, log their movement and spending behaviour while travelling, and avoid getting knuckles rapped by foreign governments.

- KEY TAKEAWAYS
- » Partnerships are essential to cope with the increasing complexity of business travel
 - » Future passengers will want to access, in business travel, the same choices they have in their personal lives
 - » These partnerships can only succeed if common platforms enable sharing of data

The corporate travel ecosystem

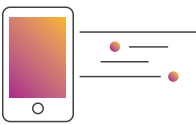
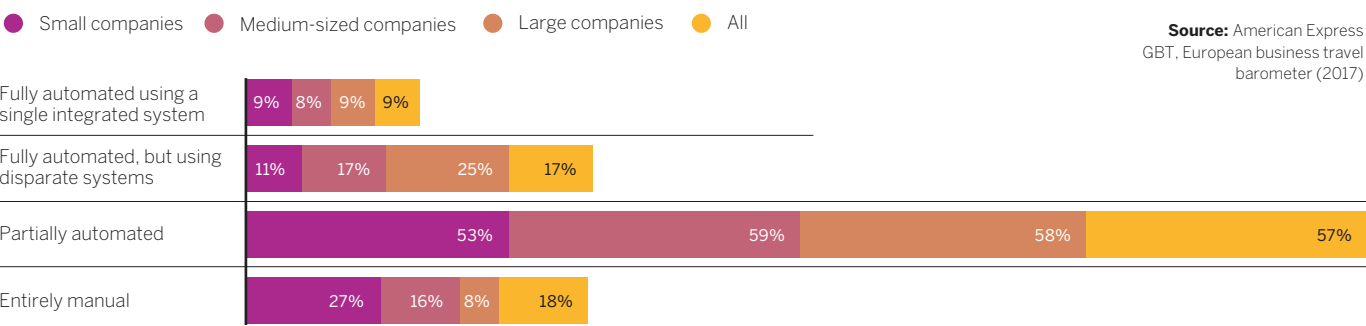


The journey towards 2030 and an integrated ecosystem is well underway

Policy and passenger trends are shaping the demands placed on business travel managers and their processes and procedures. These include increased traveller security, better data capturing and communication and more efficient expense management, all of which can be improved by automating the value chain.

The current use of mobile devices to manage travel activities indicates the readiness of business travellers to embrace the behaviours and data sharing required to fuel the ecosystem.

Current automisation of the value chain



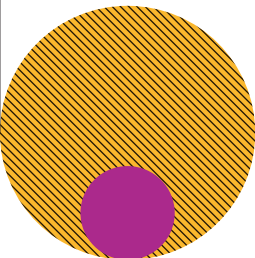
80%

of business travellers rely on their phone to conduct business

Source: Carlson Wagonlit Travel, CWT Connected Traveller Study (2017)

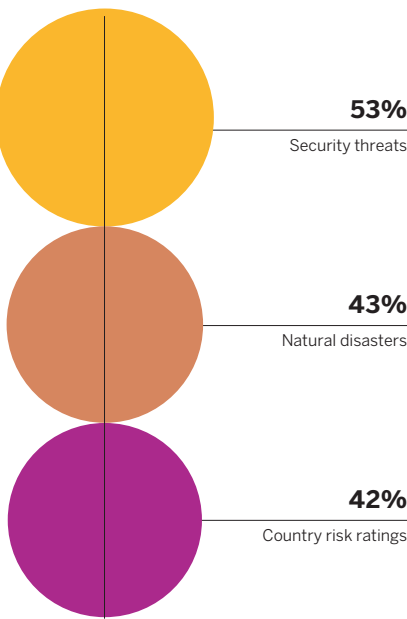
88%

believe technology has made business travel easier to navigate



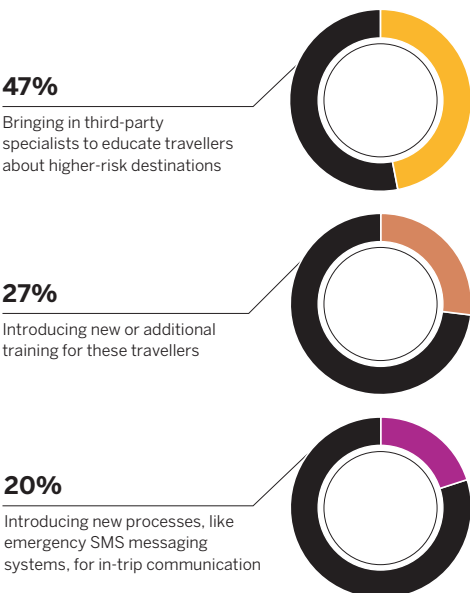
Top three reasons for modified travel itineraries

Source: Ipsos, Perceptions of travel risk (2017)



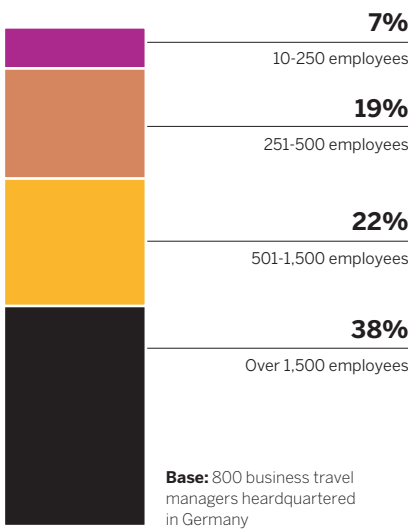
How businesses are improving traveller safety procedures

Source: ACTE, The Evolution of Travel Policy (2015)



Companies currently using traveller tracking tools by size

Source: The German Business Travel Association, VDR Business Travel Report (2017)



Current use of travel apps

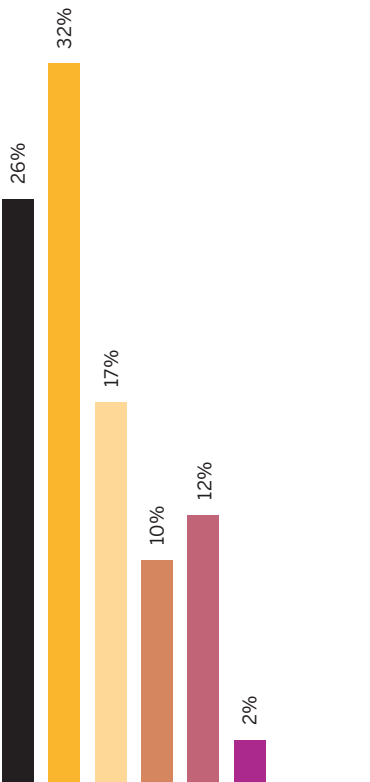
Source: AMEX GBT, ACTE (2017)



How far in advance does your organisation's finance team usually have visibility of travel costs?

Base: 500 UK finance leaders in commercial industries

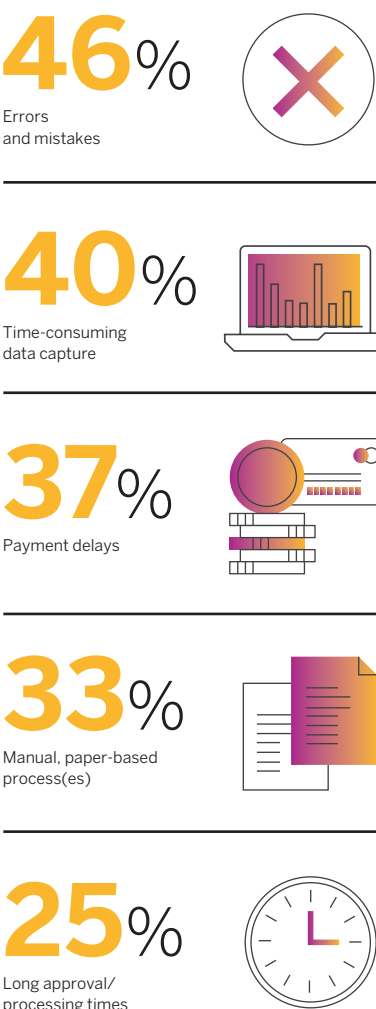
- Once a travel request has been raised
- Once a business trip has been booked
- When we receive a bill from a travel management company
- Once a business trip is completed
- Once an employee submits an expense claim
- Don't know



Source: Concur; Connecting the dots on travel, expense and invoice spend (2017)

The top five challenges for Finance caused by process

Source: Concur; Connecting the dots on travel, expense and invoice spend (2017)



IN THE line of duty

With increasingly stringent duty-of-care legislation in the workplace, risks quickly multiply when employees hit the road, and businesses will need to extend the scope of their activities in this area

“Duty of care is a c-level responsibility, and executives need to be assured their company can reach and account for their travellers during emergencies – we expect duty of care to remain at the top of c-level priorities,” says Goetz Reinhardt, MD MEE, SAP Concur.

“Businesses will continue scrutinising their data, systems, processes and procedures to determine how they can improve their ability to connect, locate if necessary and communicate with their employees when the unfortunate occurs.”

But by 2030, how risky travel will be depends on whose assessment you follow. Take ground transport, for example, which will look quite different as we shift towards autonomous vehicles. A GBTA survey revealed that 29 per cent of North American travel managers were “concerned” by

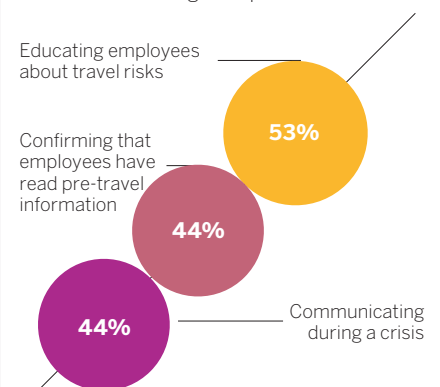
employees’ use of rental vehicles; 31 per cent when using black taxis; and 58 per cent when using app-based services. Self-driving cars raise that concern to 80 per cent. But that’s in contrast to findings in KPMG’s “Connected and Autonomous Vehicles” report, which predicts that “by 2030, connected and autonomous vehicles could save more than 2,500 lives and prevent more than 25,000 serious accidents in the UK.”

While automated vehicles prove themselves one way or another, travel management focus on avoiding disruptions and hazardous situations will mean greater reliance on digital tools.

“When you look 12 years out we don’t know what state the world’s going to be at from an economy point of view, from a social point of view, and from an unrest point of view. You’ve got issues around

What are top three challenges in ensuring the health and safety of travellers?

Base: 667 people who organise, influence, or are responsible for their organisation’s travel and risk mitigation policies



Source: Ipsos, Perceptions of travel risk (2017)



well-being and duty of care – some are going to be even higher on companies' agendas," says Adrian Parkes, CEO of TMC industry body the GTMC.

"If there's a 'Paris incident' in 2027, the company won't know where all its people are unless it has a TMC type of approach which will be able to identify who's involved, who's there, who's due to travel there, who's coming home."

But in an uncertain world, is there a realistic alternative to travelling on business? It seems unlikely – with airline traffic expected to double before the mid-2030s (according to Airbus forecasts). However, in the future, other options might arise at the booking stage, says Business Travel Direct's MD, Julie Oliver.

"The economics of our travel ecosystem is driving change. In the future, we could ask 'Could you do this on video-

conference? Look at how much money you would save.' But I still genuinely believe that people will travel to do those deals and to maintain relationships."

That need for face-to-face encounters means duty of care will remain a priority. Scott Torrey, Chief Revenue Officer at SAP Concur, paints a plausible scenario, outlining how data feeds the safety net.

"If you're travelling to Mumbai, the old way of knowing whether you're at risk was going to your TMC and asking, 'Who is travelling to Mumbai?' and calling your HR department and asking them 'Who lives in Mumbai?' Those are two interesting – but not very accurate – data points. A more accurate data point is, 'Who just got out of an Uber outside the Great Western Building in Shahid Bhagat Singh Road in Mumbai?' – for example we know that at 11:04 am



When you look 12 years out we don't know what state the world's going to be at from an economy point of view, from a social point of view, and from an unrest point of view"

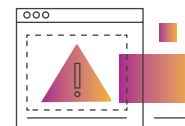
**ADRIAN PARKES,
CEO OF GTMC**



51%

of female business travellers have experienced sexual harassment while travelling on business

Source: Maiden Voyage, Women in business travel (2016)



63%

of business travel managers feel that risks to travellers have increased



52%

are expecting further increases in risk over the next year

Source: Ipsos, Perceptions of travel risk (2017)

one of our employees completed an expense transaction there, and that tells us they're within two blocks of where a security incident just occurred. Now you're getting some real intelligence about how to manage disruption. That person is in real need. You can also know that somebody who lives in Mumbai just happens to be visiting New York now because they just bought a coffee at Starbucks on 43rd and Broadway. So, you can quickly use a lot of the data that's been provided to you through one of the most interfaced apps – expense – to help deal with disruption from a duty-of-care perspective."

Ultimately, in a crisis, the issue is how quickly you can account for and aid your endangered employees. Interconnected data sources captured through booking, itinerary and expense monitoring – and through actively scanning potential flashpoints – feed the global perspective of employee whereabouts and identify who needs immediate assistance.

KEY TAKEAWAYS

- » Uncertainty and legislation are driving corporate accountability towards employees
- » Autonomous vehicles might change the balance of risk factors
- » Videoconferencing could become an option in certain booking situations
- » Expensing activities are a key contributor to building the data for improved duty of care

CASE STUDY

The Travel Manager's Perspective

New AI solutions will have to reconcile personal priorities with corporate travel policies

"My dad, who was a very frequent traveller, had an assistant who gave him an envelope with his tickets and itinerary and so on. Tomorrow's travellers will expect the same but in an electronic format – they'll just want a 'ready-to-go' solution. I don't think they'll be interested in comparing flights, making hotel bookings and organising ground transport – they'll just want the package." That's the personal perspective of Ulrika Rosén, Global Category Manager – Travel, at Tetra Pak.

Future travellers could benefit from AI-powered booking systems, delivering personalised and autonomously generated itineraries, triggered by the traveller casually chatting to their Alexa or its 2030 equivalent. Meanwhile, corporate travel managers wrestle with their employees' inclinations towards selecting attractive options outside of travel booking policies.

"Employees should really just use the booking tool provided by their company, but they don't because they're used to finding all these good deals when they shop around for their private trips," says

Rosén, who believes the prospect by 2030 of AI-generated bookings initiated through conversational digital interfaces is "a likely scenario," but cautions that much depends on "the corporates having the ability to apply limitations on what Alexa, or other similar device, searches for. No travel manager wants Alexa to go and search for limos, suites and first-class flights."

Rosén believes NDC "will be one way to limit this kind of behaviour, and from a safety perspective it will capture data regarding where the traveller is, which means there's the duty of care." But for NDC to be viable for travel managers, choices and ancillaries displayed to employees must be policy-compliant, otherwise "we leave it open so that the traveller could potentially add €200 of ancillaries onto a €100 flight; but definitely, NDC is the future."

KEY TAKEAWAYS

- » Tomorrow's traveller wants an end-to-end solution where technology provides the best and most personalised package
- » Corporate travel policy is there for a reason
- » AI will underpin booking processes – only policy-compliant options will be presented to employees

The key to reducing carbon emissions lies in travellers' informed choices – enabled by clear communication of the impacts of various modes of transport

The corporate carbon footprint

Some companies are specifically segmenting corporate travel in their CSR reports. As part of its 2016 sustainability reporting, Royal Bank of Scotland says it has "reduced total business travel carbon emissions by 14 per cent since 2014, 35 per cent from a 2011 baseline," and is "on track to meet our target to reduce business travel emissions by 50 per cent by 2020."

In aviation, reaching emissions targets will be aided by initiatives to use more fuel-efficient aircraft. Last year, 66 countries signed up to the voluntary phases established by CORSIA (Carbon Offsetting Scheme for International Aviation), which will mitigate "80 per cent of the growth in carbon emissions above 2020 levels between 2021 and 2035". Some of today's flight-booking systems already list competing flights, indicating the carbon impact for each flight segment.

And when it comes to tomorrow's ground transport, electrification is key to keeping carbon emissions at bay, with Belgium, Luxembourg and the Netherlands spearheading electric driving. Today, 25 per cent of the EU's plug-in hybrid and fully electric vehicles are driving in the Benelux countries, and 31 per cent of all charging

points are in these three countries. Dutch State Secretary Van Veldhoven recently stated: "Charging your electric vehicle should be just as easy as charging your phone. And yet, when people have to travel long distances, they ask themselves, 'Are there enough charging points in other countries? Can I pay with my Dutch card, and are the prices similar?'"

"We have a set of customers for whom carbon footprint is high on their priority list", says John Dietz, VP of SAP Concur Labs, the branch of the company that explores new ideas, interfaces and prototypes. "Usually we find that it's not driven by the travel or the expense part of a company but another part of the business that says that we want to add this to our eco footprint pillar."

KEY TAKEAWAYS

- » Green values are becoming a more prominent part of corporate branding
- » Travel-booking systems will provide better transparency so that ecological choices can be aligned with company booking policy

Only

16%

of travel management professionals incentivise their business travellers to stay in hotels with sustainable practice

Only

4%

require travellers to book suppliers with sustainable practices

Source: GBTA Foundation, Corporate social responsibility: Going Beyond Greed (2017)

Last April the Chartered Institute of Personnel and Development published results of its CIPD/Halogen Employee Outlook report, highlighting what's driving that trend: "Flexible working has an important role to play in modern workplaces, and remote access to work can open up the jobs market to those who may not have been able to access it before," says Claire McCartney, Associate Research Adviser, CIPD.

The report found that 32 per cent of UK workers "feel that having remote access to the workplace means they can't switch off in their personal time," and discovered that "workers are divided on whether remote access to the workplace is a positive or negative development." But on the plus side, 30 per cent said they feel empowered by having remote access to the workplace, 53 per cent said it helps them to work flexibly, and 37 per cent said it "makes them more productive."

Looking at the broader European context, the European Foundation for the Improvement of Living and Working Conditions (Eurofound), in its 2016 report on "Working Time Developments in the 21st Century: Work Duration and Its Regulation in the EU", noted that demand for services and products is more affected by rapid change than before, "which is why employers' organisations in Belgium, France, Italy and Finland are calling for a more flexible workforce. Employer-friendly working time flexibility would ideally allow scheduling of employees to be directly connected to variations in demand."

Another study, based on interviews with 1,352 HR professionals by IDC and sponsored by management software provider Cornerstone OnDemand – examining employee management and development in the UK, Germany, France, Spain, Italy, Sweden, Denmark, Finland, Iceland, Norway, the Netherlands, Poland,



Despite regional variation, business travel lies at the boundary between work and leisure globally, and flexible working will be increasingly central worldwide

Clock on, clock off

Austria, Switzerland, Luxembourg and Belgium – revealed that "flexible working practices have been taken up at different speeds across Europe". The Nordics, Spain, Benelux and Austria were perceived to be the most mature when it came to flexible working options.

"We found how important flexible working practices and the IT tools to support it are for the loyalty and pride of talented employees and managers. IT for mobile and remote working, ability to use personal devices at work, and IT training were critical influencers in this respect. 'Freedom factors', such as permission to work remotely, also had critical impact on employee happiness", says Bo Lykkegaard at IDC.



Corporate travel in 2030 is going to be so personalised that the company won't just expect TMCs to monitor travel policy – they'll also expect us to manage the traveller's emotional well-being

JO DOBSON,
SENIOR DIRECTOR OF SALES UK&I
AT CARLSON WAGONLIT TRAVEL



In France – which famously introduced legislation in January 2017 that provides employees with the “right to disconnect” outside of office hours in companies of 50 or more employees – mindsets are shifting towards flexible working:

“People are starting to want to live outside of the big cities and start working remotely,” says Pierre-Emmanuel Tetaz, SVP EMEA at SAP Concur. “People can, in their labour contracts, agree with their employer that they can work remotely. So that’s already happening, and there will be huge demand. We see new forms of offices appearing – desk-sharing, renting spaces, hot-desking and incubation spaces. The workplace is evolving, and technology makes it possible. The underlying idea is that you can work from anywhere – it’s supported by the legal framework in France.”

Tetaz believes that the push to flexible working is coming from the next generation: “Technology they’re using in their personal life helps them make their business life easier. I do believe that getting emails regularly outside of business hours will be increasingly tolerated and accepted.”

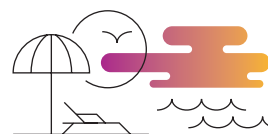
The drive towards flexible working practices means that traveller well-being will become a more important factor for TMCs: “In 2030 there will be a big focus on how many stress-related days people are having off and whether that’s related to travel,” says Jo Dobson, Senior Director of Sales UK&I at Carlson Wagonlit Travel.

“If I’m going to book a trip and say I’ve travelled for the last two weeks solidly my phone might say, ‘Sorry, you’ve just travelled two weeks solidly, you need to rearrange those meetings and you need to be at home.’ That’s an extreme example, but I think that’s where travel is

Source: ACTE, Serving the multifaceted modern business traveller (2017)

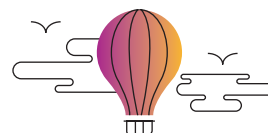
What do today's travellers want?

Base: 239 corporate travel buyers from around the world



43%

Add leisure to business trips



31%

Better work-life balance



20%

The flexibility to explore business travel destinations

74%

of millennials expect to bring work along on a trip

Source: AARP, 2018 Travel Trends (2017)

going. Corporate travel in 2030 is going to be so personalised that the company won't just expect TMCs to monitor travel policy – they'll also expect us to manage the traveller's emotional well-being.”

In the future, it might be part of the TMC's remit to monitor and supply data around these parameters to guide employers as to who can – and who perhaps should not – be travelling at any particular time.

KEY TAKEAWAYS

- » Work-life balance will be supported with flexible travel and shared office spaces
- » Employment contracts will support this
- » Initiatives in Europe are already paving the way for this

Global payments

From payments to personal information in general, blockchain – the technology underlying cryptocurrencies – is likely to guarantee the secure exchange of reliable data by 2030

Aside from its well-publicised USP of offering an incorruptible distributed ledger, blockchain appeals to the corporate world thanks to its potential to encapsulate just about every possible attribute of business on the go:

“We do need some kind of blockchain type of technology that would enable the traveller to own all their data, and as part of the incorruptible ledger let that be managed by them with all their visa data, passport data, rewards-card data, credit-card data and travel preferences,” says Christopher Baker, SAP Concur’s Managing Director EMEA North. “Blockchain might enable a future whereby we take control as travellers, and then we would grant access to that information only where and when we want to.”

From a TMC perspective, to what extent might blockchain feature in the travel ecosystem of 2030? “It’s getting there – there are technical issues that need to be resolved first that are being worked on by

many groups and technology companies globally,” says Jon Har-Wen, Domain Architect – Innovation and New Product Development, Carlson Wagonlit Travel.

But assuming the technicalities are resolved, could it become the dominant tech for managing payments and booking data? “It depends upon the willingness of the industry, consumers and corporates to adopt the technology, which depends upon lots of factors – most of which are not technical,” says Har-Wen.

“Remember, old technology is still being used by some players in the industry despite the invention of far more advanced technology. There are a few blockchain projects productionised and available for travellers to use, but they are on the periphery of the industry, such as smart contracts offering flight-delay insurance that automatically pays out if a flight is delayed.”

Other advantages that blockchain might bring to corporate travel by 2030 depend on how the technology

will be adopted. According to Har-Wen, “exchanges of data or payments between different parties will be far more reliable, and cheaper from a back-end perspective. Bookings could become more reliable, with no more ‘Our system shows the payment has been made but their system hasn’t received it’, or ‘Sorry, your booking isn’t showing up in our system’, as well as more reliable identity verification.”

““

We’ve conducted the world’s first ticket-purchase deal using an open blockchain API with the bank”

PAVEL VORONIN,
DEPUTY DIRECTOR GENERAL
FOR INFORMATION TECHNOLOGIES
OF S7 GROUP

In the airline world, early implementations of blockchain are already taking off: S7 Airlines, the Novosibirsk, Russia-based oneworld alliance member, announced last July the launch of a blockchain platform for the automation of trading operations, built on the Ethereum protocol, whereby data exchange is organised through smart contracts. The platform is configured in such a way that S7 Airlines and its ticket agents are the contracting parties. Payments are made by Alfa-Bank, which receives the information about the operations carried out from the network node connected to the private blockchain. The transaction cycle – from generation of a request for payment, verification of the sufficiency of funds on the account,

debiting of funds and updating of status – is performed automatically, accelerating settlements from 14 days to 23 seconds.

“We’ve conducted the world’s first ticket-purchase deal using an open blockchain API with the bank,” says Pavel Voronin, Deputy Director General for Information Technologies of S7 Group. “This doesn’t require much human interaction – no-one needs to send invoices, make reconciliations or issue acts. You could as well connect to the platform the suppliers of airline meals, fuel, airport services – all those companies with which S7 Airlines works constantly.”

But blockchain’s potential is also recognised across the broader back-office of the travel industry. Lufthansa’s IT



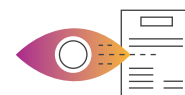
68%

of finance leaders aren't completely confident that employees comply with company T&E policies



55%

of expense claims are not audited



Only

52%

of invoices are checked for duplication, errors and fraud

Source: Concur; Connecting the dots on travel, expense and invoice spend (2017)

subsidiary, Lufthansa Industry Solutions, has set up a number of initiatives to explore the possibilities, including BC4A (Blockchain for Aviation), stating that “the goal is to bring together all fields of expertise and to collectively sound out the potentials of blockchain technology. Participants include software developers, aircraft manufacturers, maintenance, repair and overhaul service providers, logistics providers, airliner lessors and regulators.” Last November, Lufthansa even hosted a “blockchain hackathon” in Norderstedt, to explore digital and transport applications of the technology.

And even these few examples are just scraping the surface of what’s possible.

Blockchain could be the technology that instils confidence in every stakeholder across the corporate travel world to share their data across the journey chain – from baggage tracking to loyalty scheme interoperability to ensuring spare parts on aircraft are the genuine article with a fully traceable service history. Blockchain could be the magic bullet that enables data associated with all these elements to be exchanged securely in ways that release value to business travellers – empowering them to worry less about the logistics of travel and focus instead on business.

KEY TAKEAWAYS

- » Industry consensus is that blockchain will be the prevailing technology to protect personal and transactional data
- » Blockchain is an appropriate technology for business travel – it could encapsulate things such as passport, visa and booking information and help with baggage tracking and loyalty points management



EMBRACING the ecosystem

The future of corporate travel will be defined by the data we harness to bring greater agility, productivity and comfort across the journey

Twelve years is a long time in the world of business travel. If we rewind to 2006, the idea of taxis being summoned with a tap on a mobile phone or the notion of AI bots conversing with us at airports to help retrieve our luggage would have seemed like the stuff of science fiction. Yet these are already realities we take for granted. In 2006, duty of care, flexible working, and carbon emissions weren't even on the agenda.

Contrast all that with today's business travel – and then compare it with what we're expecting in 2030. Clearly there's a new trajectory in corporate values.

What's significant is that the elements of tomorrow's travel world that have been highlighted in this report – pre-empting and preventing disruption, knowing your traveller, partnerships, duty of care, carbon footprint, flexible working practises, and payments – have a common denominator: data.

It's clear that data is the DNA of tomorrow's corporate travel ecosystem. Data unifies and integrates every aspect of business travel, enabling informed planning and booking decisions. Data makes things measurable in ways that weren't possible before, whether it's measuring how risky or costly a trip is,

assessing the ecological impact of that trip, or keeping an eye on the number of hours an employee is on the road – as well as being able to give them the flexibility to manage their work-life balance or look out for them by steering them away from risks.

Risks can relate to personal safety. But there can also be risks of straying into areas of corporate tax liability by innocently infringing local visa or immigration rules.

We opened this report by saying that corporate travel is undergoing a radical transformation. That was an understatement. The whole world – not just the world of business travel – is on the cusp of a new age. An age where automation and intelligent use of data can make our lives safer and simpler – autonomously rerouting us around the traffic jams of life and smoothing the path towards a better work-life balance. In this brave new world of data and technology, change itself is a constant force. But there's another constant that will never change in all this, and that's the need for humans to travel to meet other humans, and build trust.

It's the cornerstone of business. And of business travel.

Join us on our journey into the future.

SAP Concur 



concur.com



twitter.com/SAPconcur



linkedin.com/company/SAPConcur



facebook.com/SAPConcur

