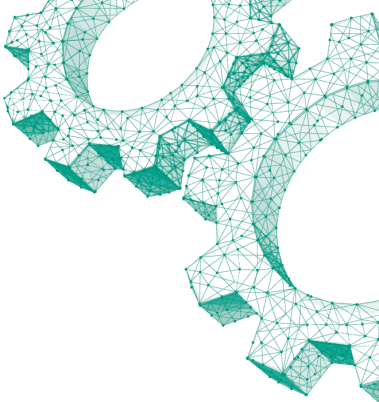




COST CONTROLS, TRAVELER SAFETY AND SATISFACTION ARE TOP OF MIND FOR HR EXECUTIVES INVOLVED WITH MANAGED TRAVEL



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When it comes to the role they play in their managed travel programs, human resource executives and Chief People Officers (CPOs) appear equally focused on cost controls and traveler safety and satisfaction.

Those are among the key findings from an online survey of 51 HR or top People officers conducted by BTN Group Content Solutions. As part of an Executive Stakeholder View of Corporate Travel study, sponsored by SAP Concur, BTN Group asked more than 200 executives in four key areas for their views on managed travel.

TOP CONCERNS OF KEY HR STAKEHOLDERS ABOUT MANAGED TRAVEL

Figures show percentage of respondents who identified that element as one of their top 3 concerns.

Controlling costs to align with budgets **49%**

Accurate and timely reporting on travel spend **43%**

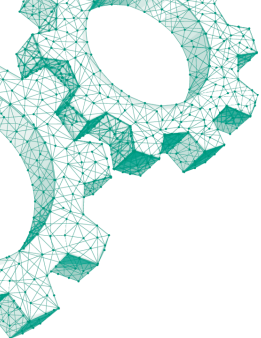
Traveler safety and well being **41%**

Consolidating travel spend to maximize cost savings **39%**

Traveler satisfaction **33%**

SOURCE: BTN GROUP CONTENT SOLUTIONS ONLINE SURVEY, OCTOBER 2019

The strong concern most HR respondents have around cost controls, travel spend reports, and cost savings are likely a reflection of the multiple functions they are responsible for as key stakeholders in managed travel at smaller organizations.



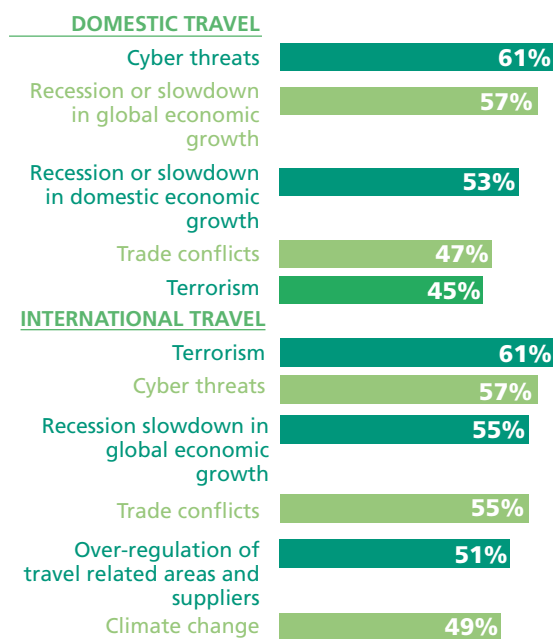
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>> DEVELOPMENTS THAT COULD IMPEDE TRAVEL

A majority of survey participants are highly concerned about the impact of cyber threats and recession on domestic travel. Developments that could impede international travel, including terrorism, cyber threats, a global economic downturn, trade conflicts, and over-regulation of tourism suppliers, are also highly concerning to a majority of respondents.

TOP CONCERNS OF HR EXECUTIVES ABOUT POTENTIAL DEVELOPMENTS THAT COULD IMPEDE DOMESTIC OR INTERNATIONAL BUSINESS TRAVEL IN THE NEXT 12 MONTHS

Figures show percentage of respondents who are extremely or very concerned about the negative impact of the development.



SOURCE: BTN GROUP CONTENT SOLUTIONS ONLINE SURVEY, OCTOBER 2019

>> RESPONDING TO RECESSION

In the event of a pending recession, most HR executives surveyed favor a collaborative approach to determine if cutting travel costs is the best response: 55% said they would gather their key managed travel stakeholders to discuss and determine the most appropriate course of action around travel spending.

Just over half said their company has a strategy or plan in place to modify their travel program or spending in some way. The last time respondents weathered a recession or a slowdown in their company's business most respondents (47%) monitored travel costs more closely to eliminate non-essential travel. Other actions taken by a fifth or more of respondents included:

- Eliminated or reduced use of first-class travel **(35%)**
- Implemented a pre-trip approval process for all travel **(33%)**
- Renegotiated many, if not all travel contracts to lower rates and costs **(31%)**
- Eliminated or reduced use of business-class travel **(25%)**
- Implemented an across-the-board percentage reduction of travel **(20%)**

One-fifth of respondents said their company did not take any action to cut travel spending when the last recession or business downturn occurred, as travel is considered necessary for business growth.

>> ELIMINATING AND REDUCING TRAVEL COSTS

A majority of respondents (78%) said their organization has a strategy in place to trim travel costs by leveraging existing travel policy, tools, and negotiated agreements. A significantly bigger majority (98%) strongly or somewhat agree that implementing an effective cost-avoidance strategy would enable them to significantly reduce their annual travel spend.

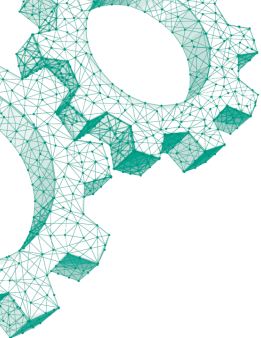
Enforcing compliance with travel policy (82%) and proactively educating travelers to book preferred suppliers (80%) are the two top elements of a cost avoidance strategy a majority of HR executives surveyed consider extremely or very effective. Other cost avoidance components cited by a majority as highly effective include:

- Reviewing regular reports and analysis of travel budget and program adherence **(78%)**
- Consolidating travel spending with fewer suppliers or across geographic regions **(77%)**
- Providing department managers with a specific travel budget that they manage and establishing new rules on when and why employees should be traveling **(77%)**
- Use of a pre-trip system to approve or deny travel **(73%)**
- Leveraging data to maximize negotiating power with travel suppliers **(71%)**
- Proactively educating travelers on the importance of following corporate travel policies **(69%)**
- Incentivizing travelers to adhere to travel policies and programs **(65%)**

>> TRACKING ROI ON BUSINESS TRAVEL

For most respondents, calculating the ROI on business travel is not a top concern; just 14% are extremely or very concerned with defining and quantifying ROI from managed travel. Close to one-third (29%) believe that business trips have too many different objectives, some of which are not directly measurable, to effectively quantify ROI on travel.

Even so, 42% of HR executives surveyed work in companies that do track ROI on business trips, likely in a different department, including 22% who work in companies that track ROI on trips taken to drive sales growth, and 20% that



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have measurements in place to track the ROI on all business travel. Another 18% of respondents work in companies where it is not a priority (12%) or that do not see any significant bottom-line benefit from the metric (6%).

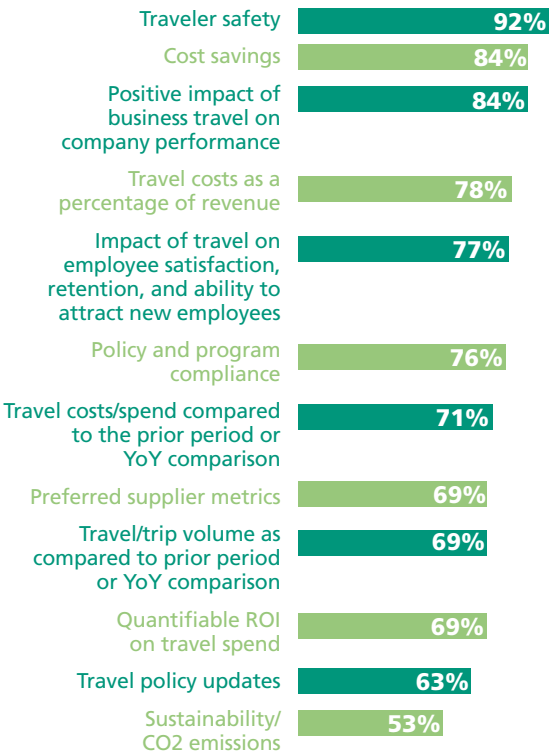
Most respondents (67%) believe the finance department should be among those responsible for defining what constitutes ROI, and 41% said the key internal stakeholders in managed travel should be involved.

>> REPORTS AND DATA SETS THAT MATTER

A majority of HR executives surveyed rely on multiple reports and data sets to fulfill their role in managed travel. At the top of the list: traveler safety, costs savings and the positive impact of business travel on company performance.

IMPORTANCE OF REPORTS / DATA SETS TO HR EXECUTIVES ABOUT MANAGED TRAVEL

Figures show percentage of respondents who said the report was extremely or very important to them.



SOURCE: BTN GROUP CONTENT SOLUTIONS ONLINE SURVEY, OCTOBER 2019

A very strong majority (93%) of HR executives agree that their organization needs to track and report traveler experience and satisfaction metrics to create strategic business value in their managed travel program, including 71% who strongly agree and 22% who somewhat agree.

>> FREQUENCY OF REPORTS

The largest percentage of HR executives surveyed receive reports on traveler safety, policy updates, cost savings, and in-policy versus out-of-policy bookings with the most frequency.

More than one-fifth of respondents (22%) receive reports on traveler safety in real time, 10% receive them weekly, and 38% receive them monthly (18%) or quarterly (20%). A significant minority (16%) receive travel policy updates in real time; 26% receive policy updates quarterly, 30% receive them annually or bi-annually, and 10% receive policy updates weekly.

Quarterly reports on cost savings are delivered to 35% of respondents; 18% receive those reports monthly, 12% weekly, 6% in real time, and 28% bi-annually or annually. Reports on in-policy versus out-of-policy bookings are delivered quarterly to 24% to survey participants; 22% receive those reports monthly, 12% in real time, 24% bi-annually or annually.

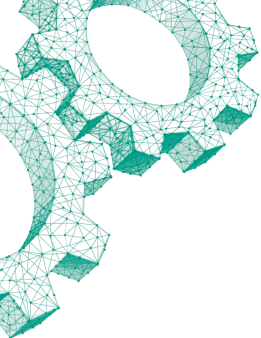
More than two-fifths of respondents receive other reports on a bi-annual or annual basis, including travel costs/spend compared to the prior period or YoY comparison (42%), preferred supplier metrics (42%), and travel costs as a percentage of revenue (40%).

Ninety percent of HR executives surveyed reported that they currently receive all the reports they need to fulfill their role in managed travel.

>> KEY FINDINGS

While traveler safety and satisfaction is the primary focus for most human resource executives, these managed travel stakeholders are also closely monitoring their organization's business travel spend and the impact it has on company performance.

- HR executives, more than any other stakeholder group, have a very high degree of confidence that implementing an effective cost-containment strategy — including enforcing policy compliance and proactively educating travelers to book preferred suppliers — will enable them to significantly reduce their annual travel spend.
- Most HR executives strongly believe that tracking and reporting data around traveler experience and satisfaction is necessary to create strategic business value in their managed travel program.
- To fulfill what they see as their dual responsibilities around cost controls and traveler safety and satisfaction, HR executives rely on multiple reports and data sets. Metrics on traveler safety, costs savings, the positive impact of business travel on company performance, and travel costs as a percentage of revenue top the list of their most popular reports. ■



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>> ABOUT THIS SURVEY

BTN Group Content Solutions conducted an online survey in October 2019 of 208 company executives who identified as key stakeholders in their managed travel programs. The research was sponsored by SAP Concur. Survey participants included four stakeholder groups with 50 or more respondents, including 51 Chief People Officers or Human Resource executives. Other reports in this series detail survey responses from CEOs/COOs, financial and procurement executives.

Most HR executives surveyed (78%) work in small and midsize companies, including 53% who work in companies with fewer than 1,000 employees, and 23% who in companies with 1,000 to 9,999 employees. About one-quarter work in larger companies that have from 10,000 to more than 100,000 employees.

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