




SAP Concur Whitepaper | PUBLIC
Concur® Travel & Expense | Sustainable Travel

APAC Looks to Sustainable Corporate Travel, as Post-Pandemic Recovery Gathers Pace

SAP Concur APAC Sustainable Business Travel Survey 2022

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Executive Summary

A photograph of a person's hand with a green wristwatch touching a large green fern leaf. The background is a blurred forest scene. A solid green vertical bar is on the right side of the image.

Business is moving again in Asia-Pacific (APAC), as the world begins to find a new sense of normalcy after more than two years of battling an unprecedented pandemic. Corporate travel is picking up in tandem.

This time, corporate travellers besides being cautious about their health and safety, are looking to fine-tune how they travel to make their trips more sustainable.

Across APAC, organisations are bullish about their sustainability efforts. This is according to SAP Concur's latest travel sustainability study of six countries in the region, which found that many respondents believe their corporate travel programmes already integrate sustainability in them.

For an area that is diverse in its population, culture and development, there appears to be a common desire to take concrete action when it comes to travelling for work sustainably. And this is not just being more sustainable but also being

more operationally efficient and more profitable, as organisations believe these imperatives go hand in hand.

While their urge to be sustainable is laudable, do APAC organisations really know how to go about it? What are the standards organisations should work towards; how can they engage their employees to make the right travel and accommodation choices, and how do they monitor and report their progress in cutting greenhouse gases emissions over time? This is where technology, travel policies and employee engagement can come in to ease implementation. With the right technologies, organisations' efforts towards sustainability can be more concerted, efficient and demonstratable.

Research Methodology

The SAP Concur APAC Sustainability Business Travel Survey, conducted by Consulting Group – Asia Insight, covered senior and mid-level managers in corporate travel, finance, human resource, procurement and sustainability, who are residing in Australia, China, India, Malaysia, Singapore, and South Korea.

There were 648 respondents in total (slightly over 100 per market) who responded to the online survey in April and May 2022. The study had a mix of organisations – 49% had headcounts of 1,000 and above, 25% had 500 to 999, and 26% had 100 to 499.

Sustainability rises in APAC agendas

As a diverse region, APAC has seen uneven progress in sustainability efforts that range from harnessing new sources of renewable energy to improving the efficiency of energy use.

In [a report](#) in March 2022, the United Nations pointed to a slowdown in progress in the region, with the Covid-19 pandemic impacting economic development and potentially compromising environmental targets.

While there has been significant progress in the region on industry, infrastructure and clean energy, the pace has been too slow to reach the goals set for 2030, the report noted.

Despite the challenges, however, the importance of sustainability goals has never been clearer. The need for urgent action has galvanised governments and populations in the region to plan ahead with ambitious targets.

China, for example, has pledged to achieve [carbon neutrality by 2060](#). It aims to reach peak carbon dioxide emissions before 2030, before reducing them in the following years.

In Singapore, the government's long-term [Green Plan](#) calls for S\$100 billion to be spent over the next 50 to 100 years to protect the country from rising sea levels.

Just as enthusiastically, organisations in the region are also looking to make an impact through the way they run their operations. As the pandemic recovery gathers pace in many parts of APAC, sustainable corporate travel is becoming high on the agenda.

According to the [Air Transport Action Group](#), aviation is responsible for 12% of CO2 emissions from all transport sources; and the [World Resources Institute](#) reported that business travel represents about 15% to 20% of global travel. Having a sustainable travel strategy in place thus enables businesses to make a real difference.

It is heartening to see that APAC organisations want to reduce their travel carbon footprint. They will be pleased to know that with the right expert guidance, policies, benchmarking and technological support, making corporate travel greener is highly attainable.



APAC organisations buy in to sustainable travel

After more than two years of hiatus during the pandemic, many APAC organisations are looking forward to corporate travel once again. While remote connections and video calls, for instance, have been effective in many ways, there are also good reasons for employees to go on the road again for work.

Meeting clients in person is the top reason for travel, with 41% of respondents saying it is a key purpose. Indeed, half (50%) of the organisations surveyed have returned to pre-pandemic levels of international travel, while 70% have returned to pre-pandemic levels of domestic travel.

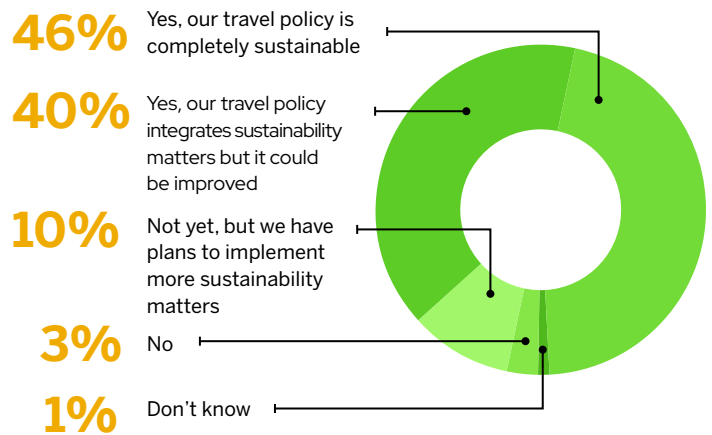
Even as they start clocking their miles, many respondents surveyed in the region are well aware of their organisations' impact on the environment. Indeed, many of the organisations have gone beyond articulating sustainability principles to putting things into practice, by incorporating sustainability into their corporate travel policies.



“Many organisations have gone beyond articulating sustainability principles to putting things into practice.”

86% of APAC respondents said their organisations are considering sustainability when managing corporate travel. Slightly over half (53%) of those respondents said their firm's travel policy is “completely sustainable”.

Is sustainability an integral part of your travel policy at your organisation?

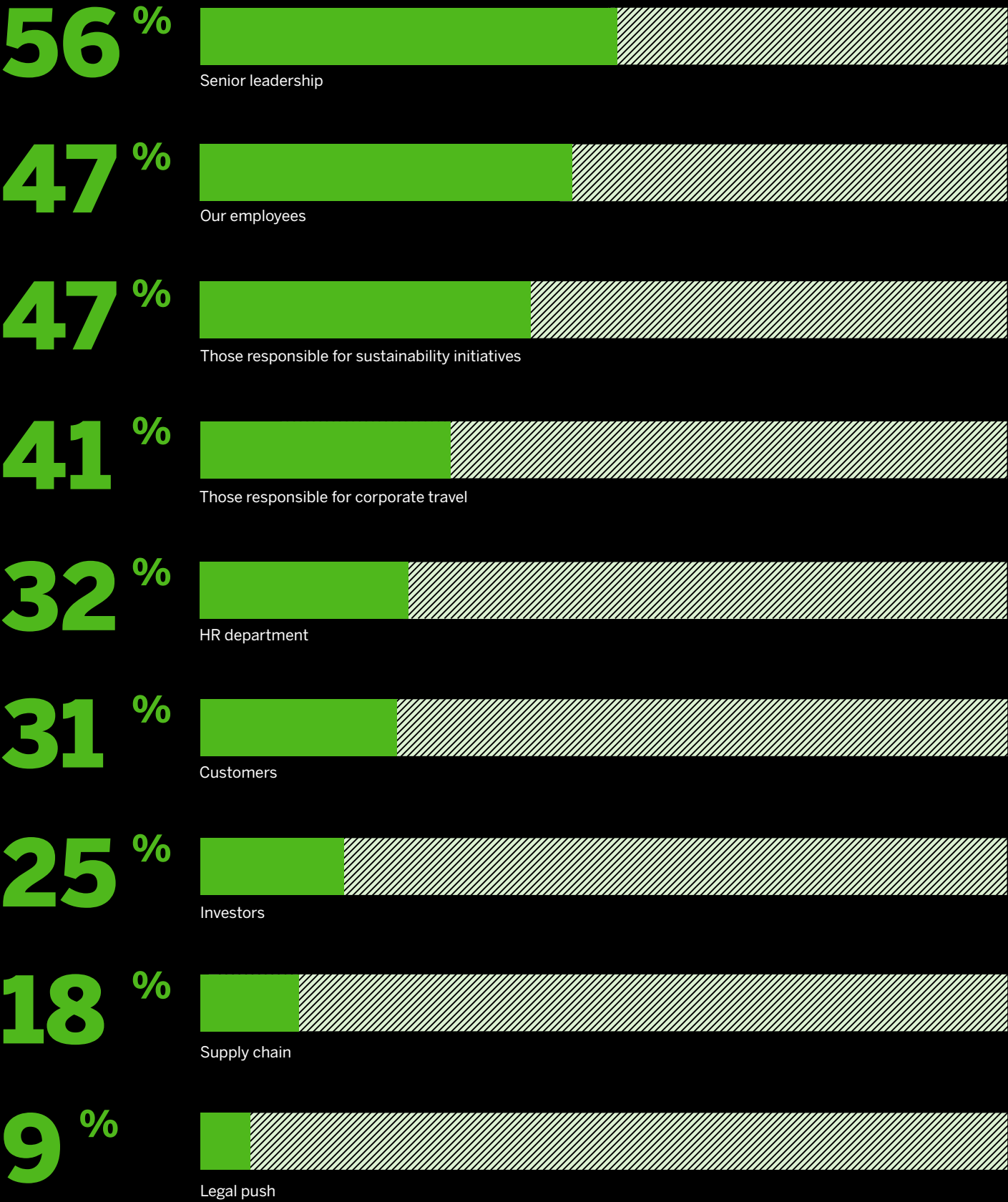


The overriding sentiment is one of confidence and empowerment for many organisations. More than half (52%) said they lived and breathed sustainability, with all stakeholders highly engaged in their purpose.

This is reflected in the people who are directly driving the sustainability agenda for corporate travel for many of these organisations.

The survey shows that senior leadership are the ones pushing for sustainable travel in more than half of the respondents' organisations (56%). Employees are closely involved as well, in 47% of organisations.

Who is prompting the organisation to drive the sustainability agenda for corporate travel?



*Options are not mutually exclusive

Consultancy firm McKinsey & Company **advises** that success is more likely when executives empower sustainability functions within their companies to engage proactively and strategically hold them responsible for creating measurable impact. Only then, it explains, will companies be able to maximise the value at stake from their sustainability initiatives.

To be sure, organisations in APAC see the importance of sustainability, with more than half (55%) of them committing resources towards championing these environmental goals, according to the SAP Concur study.

In 34% of the surveyed organisations, there is someone who manages sustainability as part of their role. In 21% of the surveyed organisations, someone is dedicated to this role.

Technology helps cross barriers

The motivations to get a more sustainable corporate travel programme in place vary among organisations. However, there are several that

stand out, notably increased operational efficiency, pointed out by 70% of respondents as a benefit.

Branding is an important reason for many respondents in the region as well, when it comes to sustainable corporate travel. 67% say it will generate positive brand awareness and reputation externally.

Respondents in APAC also see sustainable travel as a way to reduce costs (66%) as well as acquire new talent (62%).

To get there, however, organisations still have several obstacles to overcome along the way.

A lack of budget was cited by 37% of respondents in APAC, while others such as a lack of employee engagement (32%), a lack of professional tools to visualise environmental impact of travel (31%), and a lack of policy flexibility and adaptability (31%) contribute to the difficulty in getting a sustainable travel programme off the ground.



55%

To be sure, organisations in APAC see the importance of sustainability, with more than half (55%) of them committing resources towards championing these environmental goals, according to the SAP Concur study.



Some of the challenges mentioned in the SAP Concur study can also be overcome with technology, which can help bridge employees to sustainable travel options, track and measure results over time, and demonstrate impact.

Notably, many APAC organisations (71%) already realised they need to harness technology to become sustainable effectively. About 38% currently have software in place to support corporate travel and expense management, while 33% plan to acquire such software “very soon” and 21% say they will do so at some point.

Of course, technology tools need data to work. Here, the good news is that 60% of the APAC respondents said they have good or excellent business travel data for their software to crunch through. This means they are in a good position to improve their sustainable travel efforts in the long run.

Making use of software also helps organisations and employees better plan their travel to reduce the impact their activities have on the planet. This

includes choosing transport and accommodation options that are more sustainable when they travel.

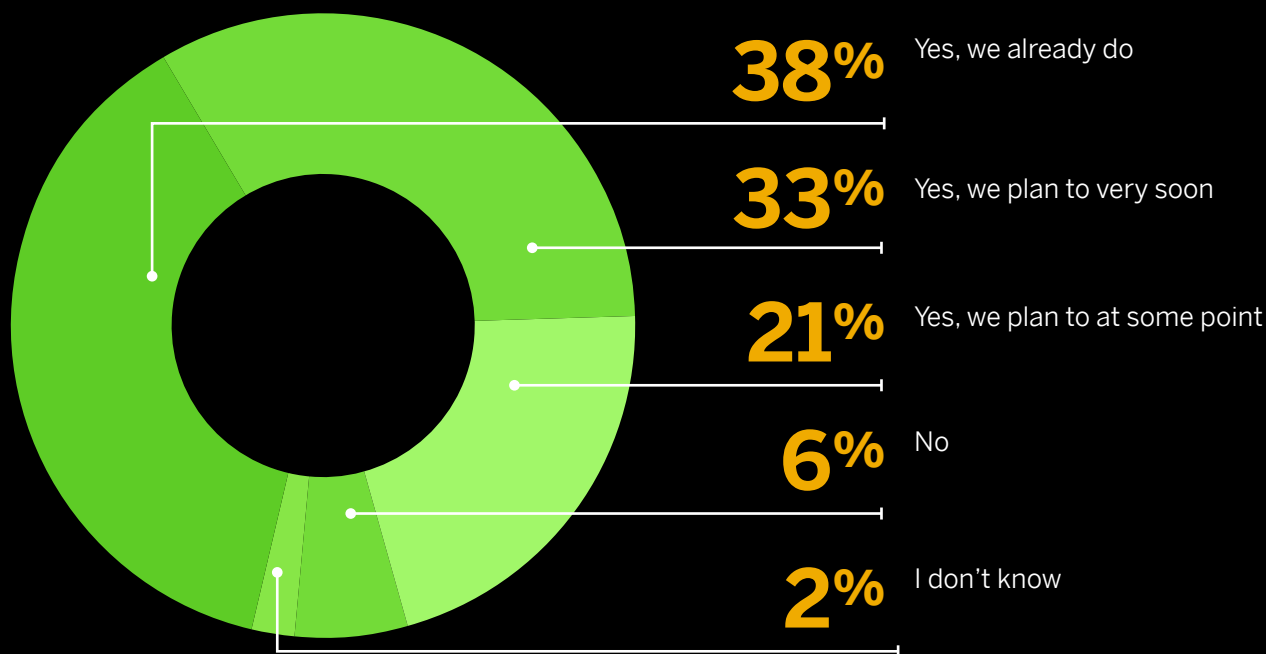
Sustainable Aviation Fuel (SAF) flights, trains and electric vehicles (EV), for example, are “greener” modes of travel than conventional airplanes, in terms of carbon emitted per traveller. Eco-hotels are also available in many locations today.

The SAP Concur study shows that organisations in the region have many good pre-requisites in place, and have ample opportunity to make a difference through meaningful action.

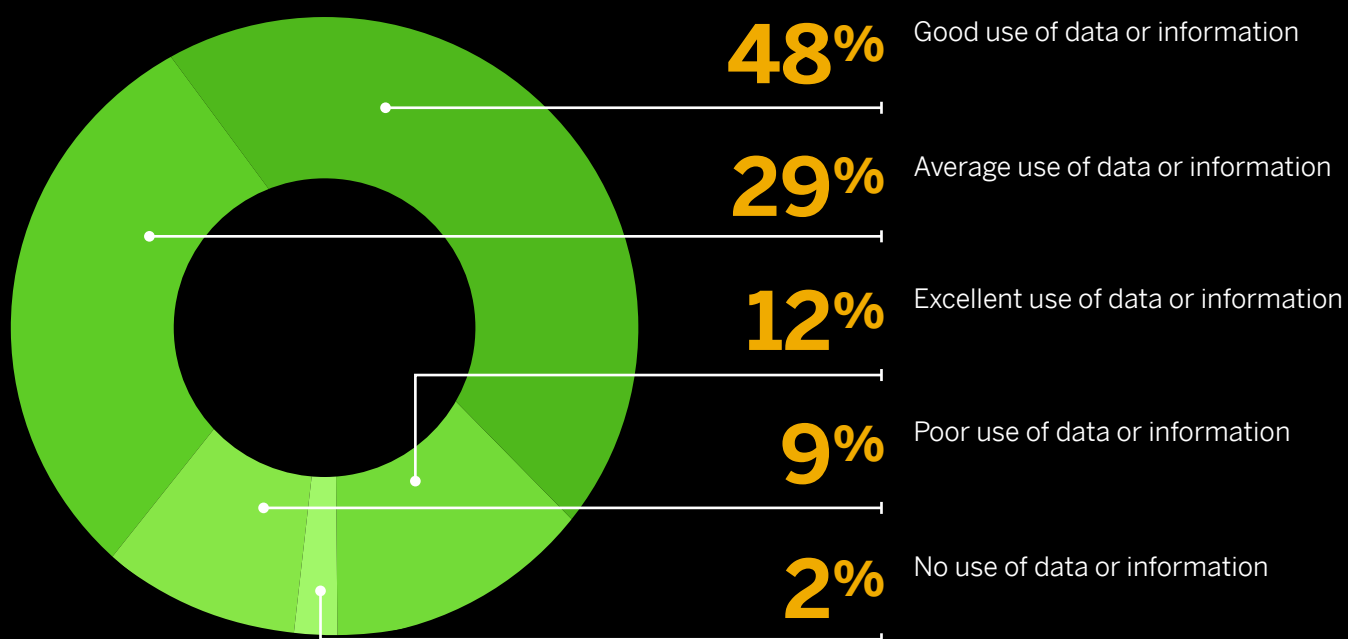
71%

“Many APAC organisations (71%) already realised they need to harness technology to become sustainable effectively.”

Do you have software in place to support corporate travel & expense management?



How good do you think your data and information is in relation to your corporate travel activities?

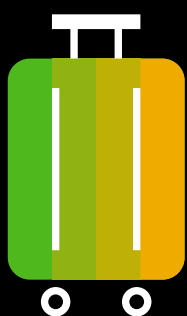


In Australia:



42%

believe their travel policy is completely sustainable



39%

believe that their travel policy integrates sustainability

Australia

A large majority of organisations in Australia believe they have at least some sustainability efforts in place when it comes to corporate travel.

The study shows that 42% believe their travel policy is completely sustainable, while 39% believe that their travel policy integrates sustainability matters but could be improved.

In the country, the greatest barrier to developing a more sustainable travel programme is the lack of employee engagement, which is cited by 22% of respondents.

Incentives were the most cited way (48%) to change behaviours internally and raise awareness for sustainable corporate travel.

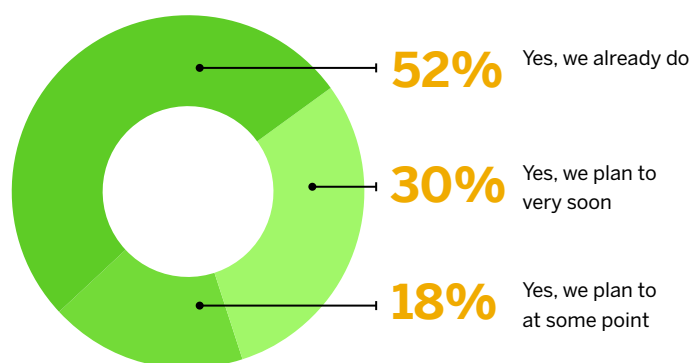
China

Chinese organisations are confident about their sustainability efforts when it comes to corporate travel. Almost all the respondents from the country believe they have at least some sustainability efforts in place when it comes to corporate travel.

More than half (55%) believe their travel policy is completely sustainable, while 42% believe that their travel policy integrates sustainability matters but could be improved.

In the country, three big barriers stand in the way of developing a sustainable travel programme (each cited by 19% of respondents) – a lack of leadership buy-in, a lack of employee engagement, and a lack of personal knowledge and training on sustainability issues.

Do Chinese organisations have software in place to support corporate travel & expense management?



India

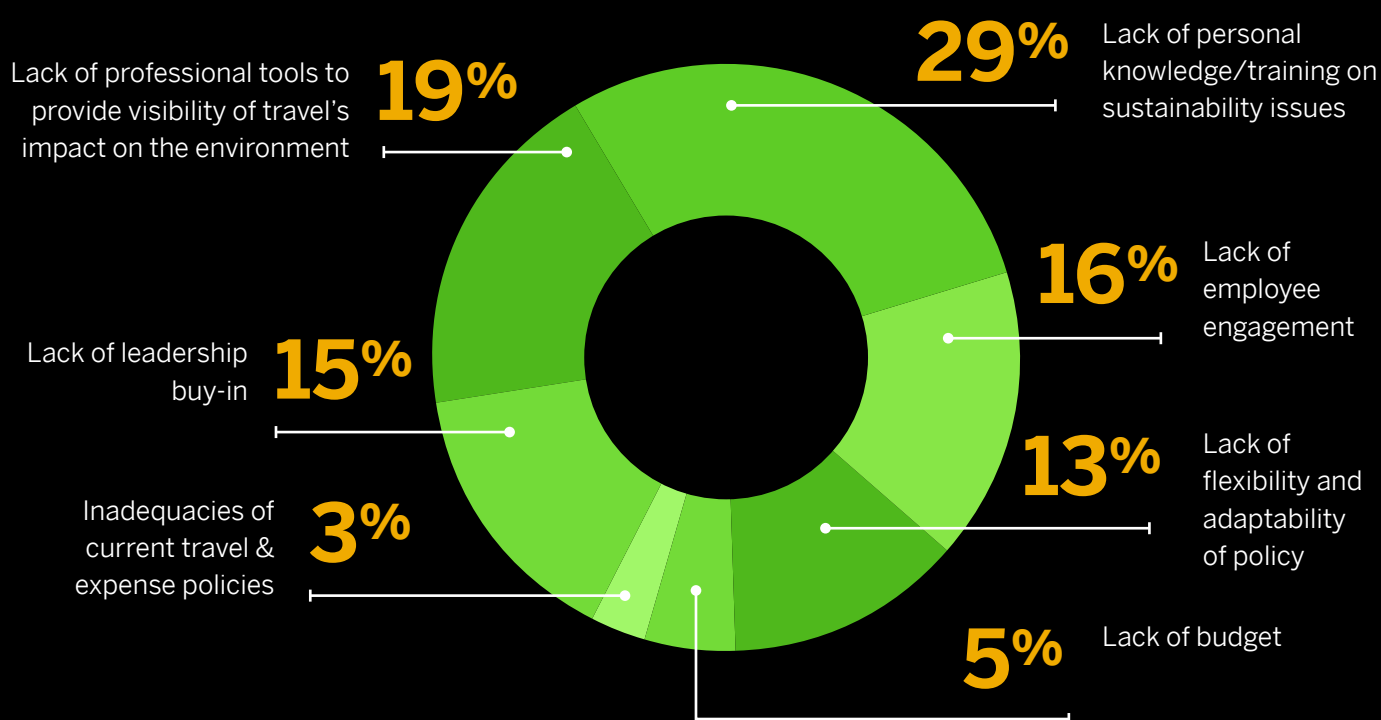
Indian organisations are the most bullish about their sustainability efforts when it comes to corporate travel.

Some 69% believe their travel policy is completely sustainable, the highest in the region. Another 27% believe that their travel policy integrates sustainability matters but could be improved. In the country, the greatest barrier to developing

a more sustainable travel programme is the lack of personal knowledge or training on sustainability, which is cited by 29% of respondents.

Notably, the use of tools to assess the sustainability of travel and accommodation options were the most cited way (74%) to change behaviours internally and raise awareness for sustainable corporate travel.

Which is considered the greatest barrier to Indian organisations developing a more sustainable corporate travel programme?



Malaysia

In Malaysia, 39% of the respondents believe their travel policy is completely sustainable, while another 42% believe that their travel policy integrates sustainability matters but could be improved.

In the country, the use of tools to assess the sustainability of travel and accommodation options were the most cited way (60%) to change behaviours internally and raise awareness for sustainable corporate travel.

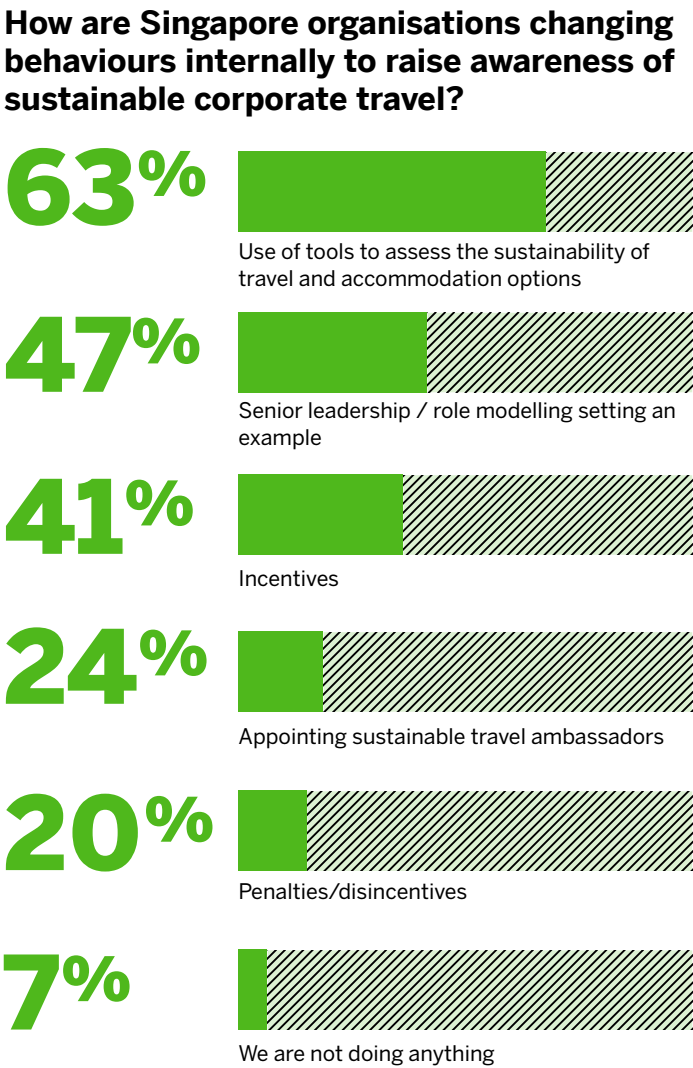
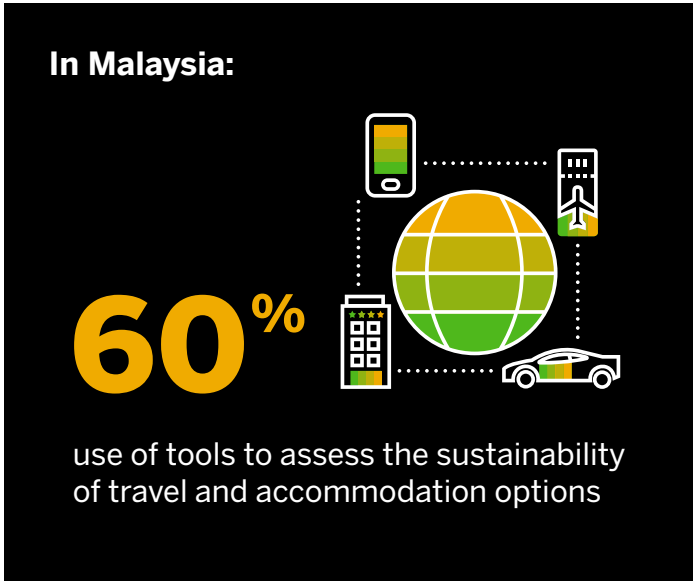
About 34% of Malaysian organisations have software in place to support corporate travel and expense management. Another 33% plan to have it very soon and 22% plan to have it at some point.

Singapore

Singapore respondents appear less bullish than their counterparts in the region when it comes to corporate travel sustainability. Only 33% believe their travel policy is completely sustainable, the lowest in the region.

In the country, the use of tools to assess the sustainability of travel and accommodation options was the most cited way (63%) to change behaviours internally and raise awareness for sustainable corporate travel in Singapore.

About 28% of respondents in Singapore have software in place to support corporate travel and expenses, the lowest in the region. The good news is 40% plan to have it very soon and 20% plan to have it at some point.



*Options are not mutually exclusive



South Korea

In South Korea, some 39% of respondents believe their travel policy is completely sustainable, while 37% believe that their travel policy integrates sustainability matters but could be improved.

Organisations in the country look to both incentives (50%), and tools to access the sustainability of travel and accommodation options (50%), as the most common ways to change behaviours internally and raise awareness of sustainable corporate travel.

However, only 33% of South Korean respondents say they have software in place to support corporate travel and expenses, though 31% said they will do so very soon and another 27% plan to at some point.

In South Korea:

50%



use incentives and tools to access the sustainability of travel and accommodation options

The way forward

The SAP Concur study has shown that as business returns to a new form of normalcy, APAC organisations are confident and poised to make a difference through sustainable corporate travel. Here are three recommendations for organisations:

1. Equip travellers to make sustainable choices

According to the [Global Business Travel Association](#), partnerships are required to support one another by sharing best practices and by ensuring that the full value chain commits to improving its environmental performance. In a study it conducted in early 2022, 67% of travel buyers said the business travel sector should commit to a common climate target.

In other words, an organisation cannot do everything alone. Meaningful partnerships are needed to make a difference.

Start with sourcing – If your suppliers and partners practice sustainability, it is that much easier for your travellers. So make sustainable


travel part of your negotiations and quarterly reviews. Work it into your contracts, and look for ways to add financial perks for suppliers who hit carbon-saving thresholds. It is also important to work with suppliers to determine the level of data and analytics they can supply.

Travellers want to do the right thing, but they don't always know what that is especially with so many variables. Present them with clear choices and simple tips that guide them towards more sustainable travel decisions.

2. Gauge the real impact to improve it

Track and make sustainability efforts measurable, so that they can be more effectively managed.

Data makes the difference, because it can show you what sustainable travel looks like and help you measure your progress. Familiarise yourself with your organisation's overall sustainability metrics, and use that data to set, track, and manage sustainability efforts for your programme and the organisation as a whole.



67% of travel buyers said the business travel sector should commit to a common climate target



As corporate travel gradually resumes, APAC organisations are well poised to make a real difference.

You will also want to evaluate your reporting tools to make sure they equip you to deliver regular reviews on critical factors, and do deep-dive analysis.

Travellers also need help with tracking. Consider tools that show them the effect of their individual booking choices, as well as their ongoing environmental impact.

3. Prove your commitment to constituents

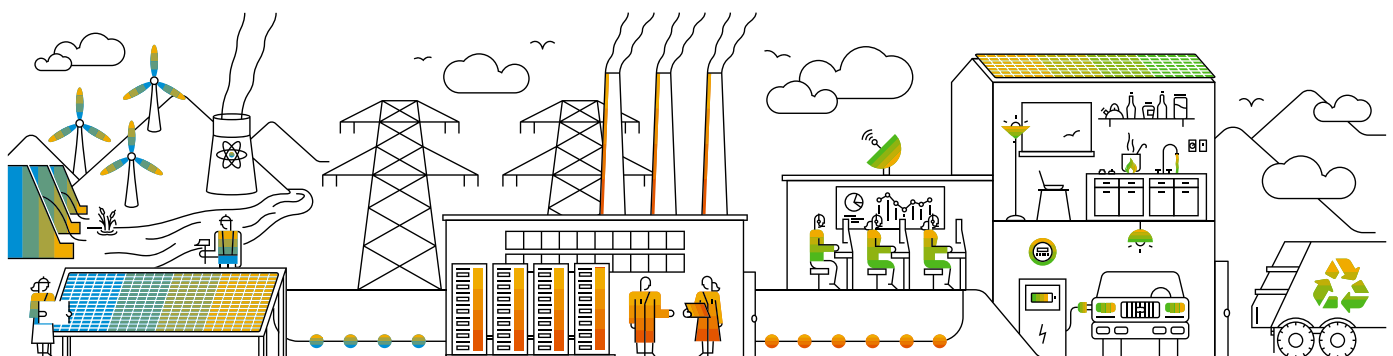
Employees, investors, regulators, and communities support organisations that recognise doing good is good for business.

In particular, investors now seriously consider how sustainable an organisation is. A 2021 survey by HSBC found that over 82% of investors in mainland China, Hong Kong, Singapore and the United Kingdom rate sustainable, environmental and ethical issues as “quite” or “very important”

to their investments. In Singapore, that figure stands at 80 per cent, reported [The Straits Times](#). Travel sustainability is a key contributor to any company’s eco-efforts—it is important to communicate sustainability efforts across and within the organisation, as a whole.

Give management and employees guidance on what can be done internally to reduce emissions and overall carbon footprint. Get the C-suite involved and make sure they are vocal about the value of sustainable practices.

As corporate travel gradually resumes, APAC organisations are well poised to make a real difference. Already ready and willing to take concrete action, they should grasp the opportunity offered by a post-pandemic “reset” to deepen their sustainability efforts, engaging customers, suppliers, partners and employees in their efforts.



SAP Concur Solutions to Support Travel Sustainability

Concur Travel:

- Highlight sustainable options and green partners with custom fields, so when employees are booking travel, they can quickly pick the most sustainable choice.
 - Guide employees towards greener travel before, during, and after their trip. For example, should they rent a hybrid car?
 - Use personalised messaging to explain your company's sustainable initiatives, helping employees understand that it's not about not traveling, it's about traveling smarter and more efficiently.
-

Concur Request:

- Use powerful rules-based engines to proactively guide employees through compliant options
 - Enhance sustainability aspects of your entire employee spend programme, making sure travel and expense policies are aligned and respected while offering a seamless end-to-end experience.
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Concur Intelligence:

- Dive deeper into your analytics and get insights into carbon emissions, top destinations, green suppliers, business traveller practices, and spending behaviours.
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TriplT from Concur:

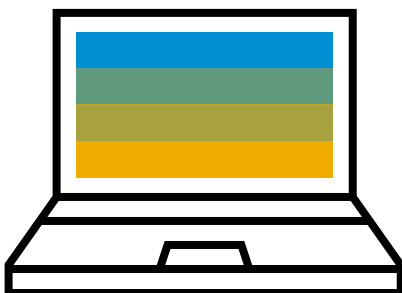
- Show employees their individual travel footprint and give them practical options for offsetting their impact.
-

Concur Expense:

- Use electronic receipts to go paperless and cut miles of paperwork out of the process.
-

Partner Ecosystem:

- Use our App Center to find sustainable suppliers who can support you at all levels of your corporate social responsibility strategy.



To find out more about how you can implement sustainable corporate travel practices, please download the [infographic](#) or contact us [here](#).

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