



Three top corporate
travel trends

How you can stay one step ahead in a rapidly changing world

Executive introduction

Data is doubling every two years; Facebook users are sharing nearly 11,000 pieces of content a second, and by 2017 it is predicted there will be more mobile phones than people. At the same time, the increasing power of emerging economies is presenting challenges and opportunities for travel companies, travel managers and corporate travelers.

The challenge for corporations and travel managers is how to adapt and thrive in the face of major industry changes. How, for example, can you meet your employees' growing demands for online and mobile booking tools? How can you ensure your employees book 'on-channel' and comply with your corporate travel policy? And how can you maximize the insight locked inside your corporate data to improve cost control, negotiated rates and traveler satisfaction?

In this paper, we look at three major corporate travel industry trends that are shaping the future of the industry: the increasing technology expectations of 'Generation Y', the growth of the mobile channel, and the big data opportunity. For each trend, we look at how emerging technologies – from mobile and social media channels to next-generation corporate booking tools – can help you enhance the experience of your travelers, and your travel program.



Trend 1: Generation Y drives technology expectations



People from Generation Y, born between 1978 and 1994, are changing the travel industry beyond recognition. This segment of the population will represent a projected 75% of the world's workforce by 2025¹. Generation Y corporate travelers have grown up with the internet and mobile technology, making them true 'digital natives'. They are used to booking their leisure travel online, and want a similar experience while booking their business travel.

Meeting the needs of Generation Y travelers

To meet the expectations of Generation Y travelers, forward-thinking corporations are investing in technologies that are highly intuitive and easy to use. These mirror the features and functionality of consumer-facing, online booking tools to provide a familiar, user-friendly experience for employees.

Investments in these kinds of systems help to reduce the number of corporate travelers that book outside authorized channels. This increases compliance with the corporate travel policy, as well as helps you meet agreed supplier targets and achieve better negotiated rates next year.

Generation Y and social media

Facebook broke the magic one billion figure for active monthly users in September 2012, and the number currently stands at 1.06 billion and counting. The network's members share around 11,000 pieces of content per second². Employees from Generation Y, and other age groups, share content constantly on their social networks, and this brings new opportunities for corporate travel managers.

It becomes possible, for example, to monitor employees' opinions on particular travel suppliers or hotel properties, and remove products that consistently fail to meet expectations. In this way, you can use insight from social networks to negotiate preferential rates with the best-performing suppliers and improve the overall traveler experience.

While social media sites provide valuable insight into supplier performance, they can also pose risks for employees who often post information about their trips online. As part of their duty of care, it is important to consider this trend, and to implement educational initiatives to inform employees of potential dangers of posting location-related information online.

Key stats

- **75%:** Employees from Generation Y as a percentage of the global workforce by 2025
- **50%:** Travel spending attributed to Generation Y by 2020
- **11,000:** Pieces of content shared on Facebook every second
- **1.06 billion:** The current number of active monthly users on Facebook

¹ Generation Y women in the workplace, Business and Professional Women's Foundation, http://www.bpwfoundation.org/documents/uploads/YC_SummaryReport_Final.pdf

² http://news.cnet.com/8301-1023_3-57566550-93/facebook-by-the-numbers-1.06-billion-monthly-active-users/

Trend 2: Corporate travel goes mobile



Although Generation Y is driving technology adoption across the industry, the demand for mobile access to travel services is now ubiquitous among all age groups. In fact, research from Portio found there will be more smartphones than people by 2014, and that more than 50 percent of the population now has a smartphone in most developed economies³. Tablet sales are also growing rapidly, with a Compound Annual Growth Rate (CAGR) of 23% year on year.

The mobile revolution is having a profound impact for corporations and corporate travelers, offering a more efficient, more convenient way to access information and pay for travel products on the move.

Mobile payments: the state of play

A recent Airplus Survey of ACTE buyer members⁴ found that 22% of travel managers stated that their travelers are using mobile as a payment mechanism currently, while 61% agree that mobile will be used as one of the payment methods five years from now.

The survey found the products most commonly paid for through mobile channels are currently restaurant meals, ground transport and air tickets. Interestingly, however, corporate travelers are more likely to browse travel options on their mobile devices and purchase them through other channels.

The benefits of mobile payments

The top benefit of mobile payments for travel managers is improved traveler tracking, which helps you meet your duty of care to employees. At the same time, mobile payments improve the quality of payment data and reconciliation, and mobile payment data can be analyzed to monitor and improve compliance with your corporate travel policy.

For corporate travelers, the key benefit of mobile payments is convenience, as payments can be made by simply swiping the screen of the mobile device over a reader on flights, in airport restaurants, or on buses or trains. Not only is it easier to make payments with mobile devices, but it becomes far easier to report expenses to the finance department, and to ensure bookings comply with the corporate travel policy.

Enhancing the traveler experience with mobile information

The benefits of the mobile channel extend beyond convenient payments and improved financial management. Corporations can also push real-time itinerary information to travelers via their mobile devices using next-generation itinerary management tools. These help ensure travelers are aware of any last minute changes to travel arrangements, such as plane times or departure terminals, reducing the risk of missed flights and other unforeseen events.

This kind of system must integrate seamlessly with existing infrastructure, as well as complement existing processes and workflows. The best mobile itinerary management tools are simple to download, with a highly intuitive registration process for travelers.

Key stats

- **50% plus:** People in developed countries have a smartphone
- **7.5 billion:** The number of smartphones activated by 2014
- **100% plus:** Number of smartphones activated each day compared to babies born

³ Portio Research Mobile Factbook 2013, Euromonitor, China Mobile, China Unicom, China Telecom, TRAI

⁴ Airplus survey of 305 ACTE buyer members, mainly spread across North America, Europe and Asia, August 2012

Trend 3: Big Data for big insight



By 2020, there will be fifty times more data in the world than there is today. In just one year, we generate enough data to fill 5.7 billion 32G iPads, which are enough to build the Great Wall of China to twice its original height. All this means we are truly in the age of Big Data.

What is Big Data?

Big Data is any large dataset collected through day-to-day operations, or sourced from websites, industry partners or analysts. It is anything and everything, from travel details and passenger name records (PNRs), to search information, booking information or itinerary details.

How can you benefit from Big Data?

When approached in the right way, Big Data offers huge potential for corporate travel managers, who can use it to gain new insight into travelers' needs and preferences, and optimize management of the corporate travel policy.

Streamlined financial reporting

For example, effective data analysis can help travel managers understand spending across the travel program, reducing the burden of reporting to finance managers. In addition, you can increase insight into spending by supplier, which helps you meet purchasing targets required for negotiated rates compliance.

Until now, travel managers have been reliant on other sources to provide information on overall program spending and spending by supplier. However, Big Data solutions mean this information can now be available to you wherever, and whenever, you need it.

Increased compliance with

corporate travel policy

Effective Big Data solutions can help increase compliance based on real-time insight into your travelers' bookings. It is possible, for example, to see if travelers have exceeded specified budgets for certain types of products, or if they are breaking policy requirements for first-class travel. Any bookings that contravene corporate policy can be flagged immediately, helping you take the required action to address the issue.

Improved traveler security

Big Data solutions can help you meet your duty of care to corporate travelers. Specifically, by analyzing itinerary data in real time, you can track employees' whereabouts and contact them quickly in the event of an emergency.

Key stats

- **12,000:** The number of photos taken every second
- **5.7 million:** The number of 32G iPads needed to store one year of data
- **50x:** The growth of data by 2020

Last word

The three key corporate travel trends discussed in this paper show how new technology and changing traveler expectations and behaviors have the power to dilute a corporate travel program. However, by building a well thought out strategy that embraces emerging technologies, you can overcome the challenges and increase your success. Specifically, next-generation technologies can help you improve insight, responsibility, ownership and budgetary control, across both your travelers and your entire travel program.

About Travelport

Your business operates within a world that is changing at an unprecedented pace. The landscape around it alters every day: technology is continually evolving and converging; globalization is erasing borders; travelers are more knowledgeable and demanding, applications are increasingly mobile.

Travelport is embarking upon a new kind of relationship with Corporate Travel customers – one that breaks with convention to deliver thinking, innovation and technology that give you the answers you need, no matter where you want to go.

Your business journey is unique. Our approach is to partner with you to embrace and navigate these challenges.



Your travel program, your way.

For more information about Travelport and how we can help you build your future success, please visit www.travelport.com/corporations or email: travelportmarketing@travelport.com

