



GLOBAL BUSINESS TRAVEL

# 2019 European Business Travel Barometer



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# Foreword

Since 1991, we have published the European Business Travel Barometer to provide insights into the business travel sector in Europe. Each year we look at emerging trends that help decision-makers optimise their travel programmes.

The report shines a light on travel buyers' key concerns, priorities and challenges. These include traveller satisfaction and security, data protection and, of course, cost control, an ever-present pillar of managed travel.

With Brexit, tension between the US and China, and a slowdown in the Chinese economy, these are uncertain times for the international business community. In April, the IMF again trimmed its 2019 global GDP forecast.

It was, therefore, interesting to learn that travel managers across Europe still anticipate growth in travel spend for 2019. Although there is caution, companies want to drive more value from existing budgets, rather than make cuts.

As a business partner for managed travel, it's our job to maximise that value. We have invested in a core technology platform that supports proactive and personalised traveller care, actionable data insights, and optimised content and supplier relations. By investing in the future, we aim to encourage effective travel programmes that enable businesses and travellers to connect and prosper.

I hope you find the insights in this report useful. For more information please [get in touch with the GBT team](#).

**Elyes Mrad**

Senior Vice President  
and Managing Director,  
International





# Introduction

Welcome to the 28th edition of the European Business Travel Barometer - our annual exploration of the critical issues facing business travel in Europe.

This edition analyses results from a survey of more than 1,000 procurement, travel management, finance and HR professionals who are responsible for their organisations' travel programmes. Survey participants represent businesses of various sizes and come from 10 key European countries. The report summarises key insights into the European business travel trends of 2018, and asks what the industry can expect in 2019.

The headline finding: a positive outlook for business travel despite geopolitical and economic uncertainty. Crucially, travel spend in 2018 increased significantly more than respondents had predicted in [last year's barometer](#). As expected, there has been an uplift in the number of employees travelling for work.

This report will explore the increasing investment in travel spend within Europe, the shift in responsibility for travel management within a business, the evolution of traveller behaviour and the role of the travel management company (TMC).



# Part I

## Optimistic outlook for European business travel

In 2018, Europe's business travel sector saw healthy growth. The EU is the world's third largest economy, behind the US and China. Together, these entities account for almost half of international commerce.

Despite slowing GDP growth in the Eurozone, business travel spend in 2018 increased significantly more than respondents had predicted in last year's barometer, 3.8% versus a planned 3.4%.

In 2019, more than two-thirds (68%) of organisations, regardless of size, plan to focus their business travel investment in Europe, prioritising it over other regions. As such, European travel expenditure is expected to grow by a further 4.3% in 2019. The forecast indicates that business travel growth will be highest in Spain and the UK, which are predicted to increase by 6.8% and 6.2%, respectively.

Organisations recognise the return on investment (ROI) in their travel programmes: 70% of business travel spend is focused on nurturing clients and prospects, while 99% of businesses now consider business travel as either a necessary cost or a direct contribution to business development.

While geopolitical and economic uncertainties may make European prospects appear cloudy, if business travel is a reflection of economic health, there is some room for optimism.

- › **European travel spend for 2018**  
+3.4% forecast  
+3.8% actual spend
- › **European travel spend for 2019**  
+4.3% forecast



# Part II

## Travel management: who is responsible?

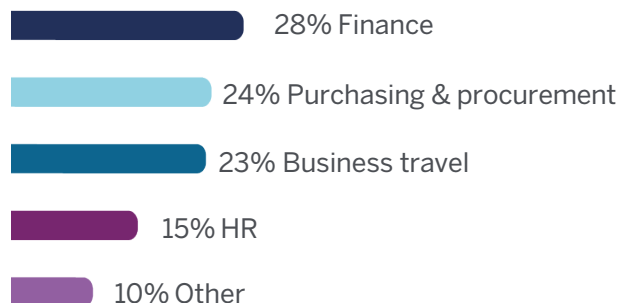
There are a variety of approaches to the ownership of a travel programme. Only 23% of businesses surveyed have a designated business travel department within their company structure. 77% place ownership of the travel programme in other departments, such as finance (28%), purchasing (24%), and HR (15%).

Between 2016 and 2018, the barometer observed a decline (16%) in the proportion of respondents with strict travel policies, as organisations introduced more flexibility. 16% of large companies and 22% of SMEs said they had flexible travel policies. On a European scale, policy type varies from country to country, and it is likely that flexibility is connected with culture. For example, travel policies in the UK and Nordic countries are typically more flexible compared to Switzerland and Germany.

Business travel is handled by an increasingly diverse set of people and functions, and the data shows that travel policies reflect the concerns and priorities of these departments. This also means how departments manage costs will vary.



### Who's managing business travel?



Priorities	Travel managers	HR	Finance
Reduce direct travel costs	47%	41%	39%
Reduce indirect costs	32%	30%	31%
Improve traveller conditions and effectiveness	21%	29%	30%

- › A study by [KDS](#) found that 65% of companies rely on finance to manage travel and expenses



# Part II

## Continued

The barometer has tracked travel managers' priorities over time. For the last three years, traveller security was top of the list.

The 2019 research revealed a significant shift in managed travel priorities, as cost control was ranked number one priority, followed by data security.

While traveller security and satisfaction are lower in the 2019 ranking, these traveller-centric topics remain key priorities.

### › Top travel management priorities

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1. Control and cost management
2. Data security
3. Traveller security
4. Traveller satisfaction



# Part III

## Traveller focus

For the last three years, traveller security has been the highest priority for businesses. In this year's barometer, traveller security has dropped down the order of priority but remains a top three issue. Despite its prominence, just over two-thirds (68%) of the organisations surveyed put in place security measures to better monitor employees.

The study shows that organisations are increasingly addressing traveller experience, productivity and wellbeing in their travel policies. Currently, 71% of businesses measure traveller satisfaction, compared to only 56% last year. Improved tools for evaluating traveller feedback now provide meaningful information that organisations can use to guide and influence travel policy.

Measuring traveller satisfaction has meant nearly half (48%) of organisations have changed their travel policies, up from 16% last year. Regardless of the department or people in charge, more organisations are placing traveller experience at the heart of their travel programmes.

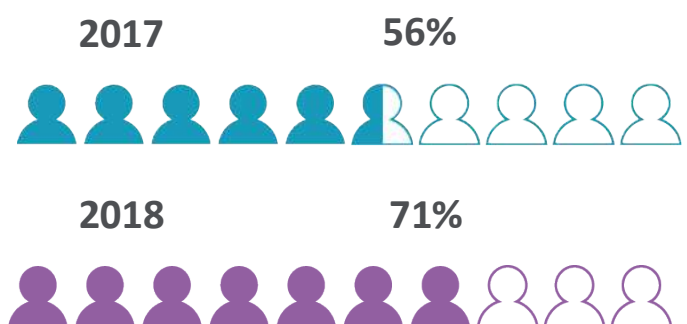
Two-thirds (66%) of organisations now use traveller satisfaction as a tool to improve engagement. However, 35% of bookings are still made outside policy. This highlights a clear need for companies to listen and act on traveller behaviour to strategically encourage in-policy booking.

Used effectively, these insights can do more than influence rogue bookings. For example, businesses can work collectively with partners and suppliers to test different content, processes and systems.



By regularly monitoring traveller satisfaction and bookings, businesses can develop a clear picture of what works, where costs can be optimised, and how efficient their travel programme truly is.

➤ **71% of businesses now measure traveller satisfaction, compared to 56% last year**





# Part IV

## Evaluating travel agencies and TMCs

Today's business travellers want access to personalised content, the best rates and fares, and to have it available in all offline and online channels.

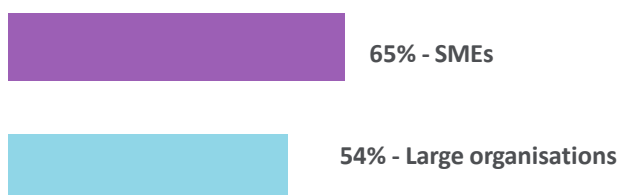
TMCs have responded to traveller preferences by introducing sophisticated technology and greater access to content. Therefore, the booking experience is now more seamless, efficient and hassle-free.

However, user experience, while seen as important, is not top of the agenda: controlling and managing costs is ranked as the number one priority for the majority of businesses, regardless of their size.

A quarter of small to medium-sized enterprises (SMEs) use a TMC as their preferred booking channel, with 43% using online travel agencies (OTAs).

In contrast, more than half (53%) of large organisations use a TMC, with 25% using OTAs. The survey finds that SMEs place a higher priority on controlling cost than larger organisations: implementing a stricter managed travel programme could help them gain that control.

### › SMEs place a higher priority on controlling and managing costs than larger organisations





# Part IV

## Continued

Despite the divide over what type of intermediary to use, 85% of businesses say they are working with some type of agency, which is a 6% increase on last year. The majority of respondents (46%) currently use one agency, a quarter (24%) opt for two, 15% use three and 15% use four.

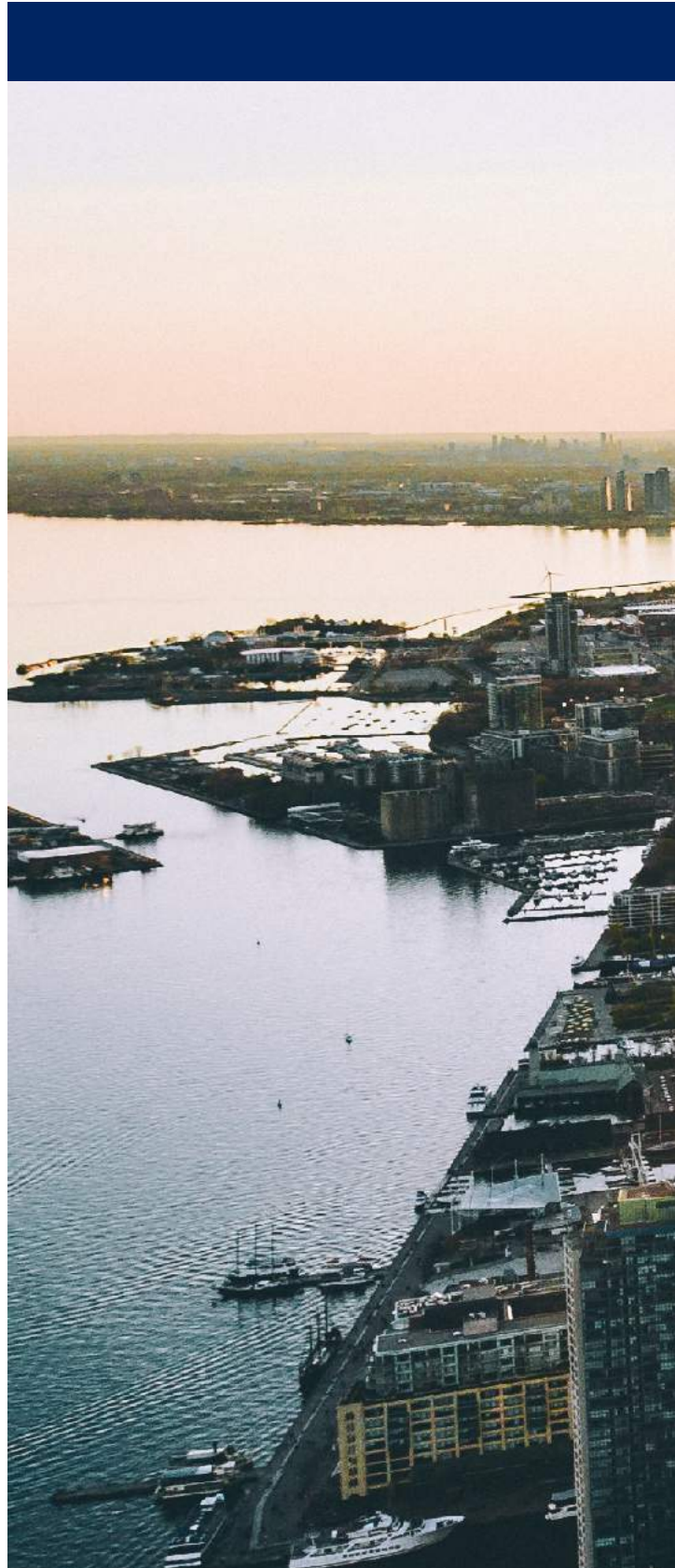
- › Overall, the criteria for choosing a travel agency remain the same. Businesses look for help supporting traveller safety, cost management, and enhanced data security

Online booking tools (OBTs) today offer an end-to-end experience for travellers – from trip planning through to expense filing. But it's critical that this experience works in tandem with the offline experience, and this is where TMCs demonstrate significant value.

While OBTs are end-to-end providers, relying entirely on these tools can leave travellers vulnerable when there is disruption or when they require specific help.

TMC travel counsellors are available to assist with complex itineraries and are present in times of need when a traveller might have questions or concerns.

- › Businesses are increasingly turning to TMCs to provide value in identifying cost saving opportunities and provide insight into how they can improve the traveller experience



# Summary

With European travel expenditure expected to grow by 4.3% in 2019, there is room for optimism about the future for business travel.

As the business travel industry continues to evolve, organisations' strategies, programmes and policies change too. This is also reflected in the roles of travel buyers and in the focus on corporate travellers.

Recognition of the role and value of business travel in driving companies' growth and success is seen here in the increased investment forecast for the year ahead.

The challenge in 2019 is to build programmes that strike the right balance between cost efficiency and effectiveness, enabling travel that supports business objectives and at the same time meets the needs and expectations of travellers.

One key to achieving this will be flexible, smarter travel policies that can react to traveller feedback. Another will be for organisations to work with industry partners who can give them the technology to drive successful travel programmes that allow their travellers to be present where and when it matters.

- › The challenge in 2019 is to build programmes that balance cost efficiency and effectiveness, supporting business objectives and meeting the needs and expectations of travellers







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# About American Express Global Business Travel

American Express Global Business Travel (GBT) is the world's leading business partner for managed travel. We help companies and their employees prosper by making sure travellers are present where and when it matters. We keep global business moving with the powerful backing of 17,000 travel professionals in more than 140 countries. Companies of all sizes, and in all places, rely on GBT to provide travel management services, organize meetings and events, and deliver business travel consulting.

## Learn more at:

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