

A dark blue, semi-transparent background image showing two business professionals, a man and a woman, in a modern office setting. The woman on the left is holding a tablet and pointing at the screen, while the man on the right looks on. In the background, there is a whiteboard with some papers pinned to it.

Selling Business Traveler-Centric Policies to Executives

Using this template

Your executives have two important goals:

- Contribute to the company's revenue growth
- Manage costs

You can use these slides to demonstrate how refreshing your travel policy and tools can help you improve service levels, compliance, and business results while keeping costs in line.

Simply insert any of the slides you'd like to use into your own company's template. Slides that require your input are noted.

Before you present to executives, build your support network

There are often many individuals or groups with a vested interest in travel policy like:

- Executive administrative assistants who book travel
- Frequent travelers
- Risk management teams responsible for duty of care procedures
- HR professionals who may view travel perks as a benefit or recruiting tool

Of course, you may know of others in your organization beyond those listed. Before addressing your executives, build support with these key stakeholders. Your executives are more likely to approve policy changes that are supported by your peers.

Executive summary

- Business travel drives revenue, but it can be stressful on travelers and result in turnover.
- Research shows that increasing traveler satisfaction can reduce overall travel spend, decrease burnout, and improve recruiting efforts.

The benefits of business travel

- 86% of global business travelers agree that meetings conducted in person are more effective and productive. For the VP level, that number jumps to 91%.
- For every dollar invested in business travel, U.S. companies generated \$9.50 in revenue and \$2.90 in profit, according to Oxford Economics, based on an analysis of government data on 14 industries over an 18-year period.

Source: Egencia Business Travel and Technology Study, 3rd Edition

Source: Oxford Economics The Return on Investment on US Business Travel

The downsides of travel – traveler wear and tear

- 43.76% of global business travelers say travel is more stressful than their everyday job.
- Health can suffer due to lost sleep and unhealthy eating habits on the road.
- Nearly half of corporate travel managers told the Association of Corporate Travel Executives that they have fielded employee inquiries about managing work-life balance in regards to travel.

Sub-par accommodations, lost luggage, and missed flights or trains are the most common issues business travelers encounter. Many also report sleeping less and eating less healthy on the road. As for the booking process, half of business travelers say they dislike changing plans and amending booking.



31%
Sleep less



31%
Report eating
less healthily



37%
Accommodations
sub-par

The downsides of travel – employee retention

- 15% of road warriors (35+ trips per year) say they are burnt out.
- According to a report by the Center for American Progress, replacing a highly paid employee requiring specialized training can cost up to 213% of the employee's annual salary.
- Given the average road warrior makes \$155,000, replacing that individual could cost over \$330,000, not including lost revenue potential.

Traveler satisfaction = compliance = cost savings

- Of the North American and Latin American travel managers surveyed who report over 90% compliance with air bookings, 93% and 79%, respectively, say a majority of their travelers are satisfied with their travel program.
- Higher compliance leads to higher volume, which can drive down costs through negotiated rate programs with key suppliers.

Additional benefits of increased traveler satisfaction

- Higher compliance rates make it easier to track travel and expense data, saving time and reducing indirect costs.
- Travel buyers often spend an average of 40 hours per month reconciling travel expenses and payment data.
- Higher compliance also increases our ability to find and help travelers in the event of an emergency.

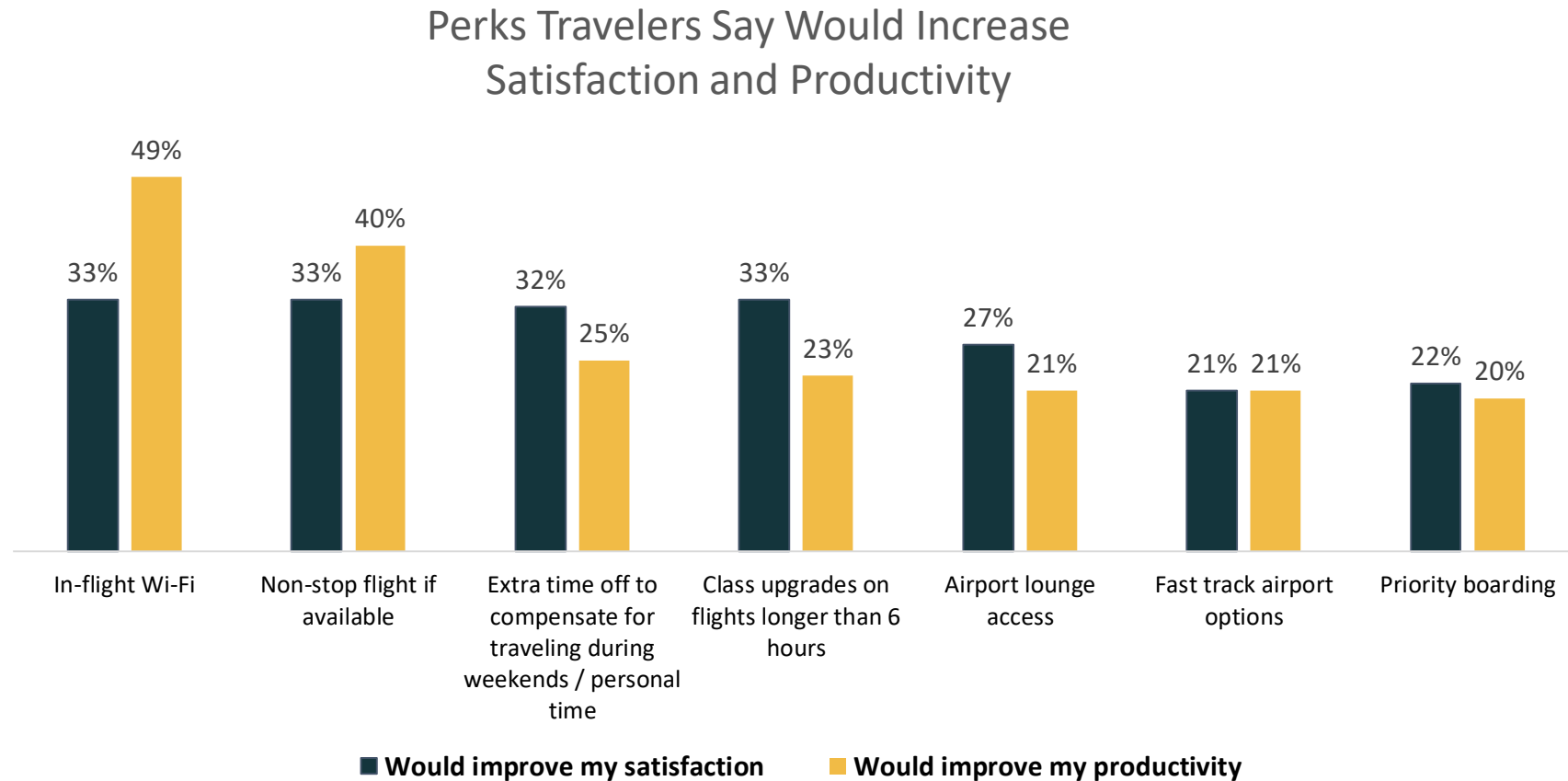
Travel policy plays a factor in recruiting new employees too

- Making business travel a little more pleasant is a tactic companies are using for retention as well as recruitment.
- In a competitive job market, the amount of travel and travel policy can be a deciding factor for candidates.
- 83% of frequent travelers surveyed said a firm's travel policy is at least equally or much more important than the new job's pay and responsibilities.

Source: NY Times, Competition in Job Market Lets Professional Set Their Travel Terms

Source: Traveler Friction: Insights from US Road Warriors

How can we increase satisfaction? Travelers want tools that enable productivity.



Proposed policy changes (fill in as you see fit)

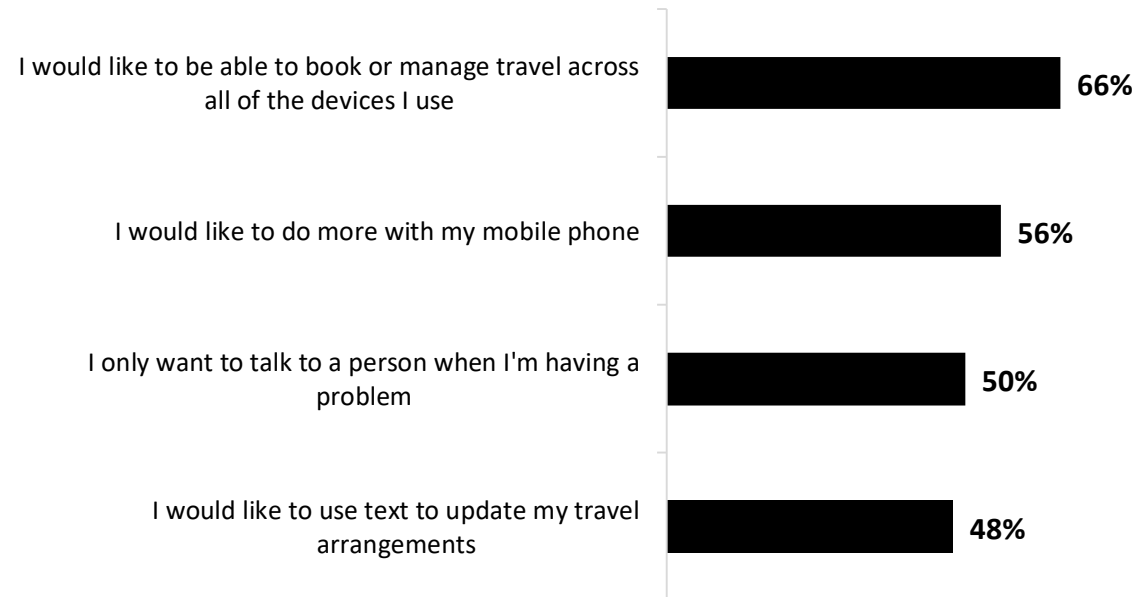
Policy Change	Traveler Benefits
Reimbursable Wi-Fi	Travelers want to be productive in flight; By negotiating bulk Wi-Fi codes we can save \$X per passenger and increase traveler productivity, reducing indirect costs.
TSA PreCheck (or other fast track options)	TSA reported that PreCheck wait times for 98% of travelers were less than 5 minutes long in December 2016. We can give business travelers extra time in meetings or at the gate working rather than standing in long lines.
Airport Lounge Access	Snacks, free Wi-Fi, and a comfortable place to rest helps travelers rejuvenate and increases productivity on the road.
Direct Flights or Upgrades	Less time in the air equals more time working. Upgrades can also help travelers be more comfortable, productive, and rested so they can go to their meetings prepared.

Update this chart to reflect your proposed policy changes.

Business travelers want tools that allow them to manage travel efficiently anytime, anywhere

Agreement with Statements About Technology (% 4-5)

On a 1-5 scale where 1 means strongly disagree and 5 means strongly agree



Proposed tool changes

Seamless online booking tools and mobile apps can increase traveler satisfaction (fewer calls; more control) and lower costs.

Transaction Fees	50% Online Adoption	Total Cost	80% Online Adoption	Total Costs
Online Fee (\$7.00*)	500 transactions	\$3,500	800 transactions	\$5,600
Offline Fee (\$25.00)	500 transactions	\$12,500	200 transactions	\$6,000
TOTAL COST:		\$16,000		\$11,600

Source: Egencia

*Fee is for illustrative purposes; pricing may vary

Cost of proposed changes

Proposed Change	Employee Group	Number of Employees	Cost per Employee	Total Cost	Potential Increase in Productivity (hours)
WiFi	Frequent Travelers (10+ trips per year)	100 (example)	Begins at \$6.95 per MB		Travelers x average trip length (2.1 hours in air for domestic U.S. trips) *You can also take this times average pay/hour to show financial costs
Direct Flights			Variable		
TSA Precheck/Global Entry or similar programs			\$100 per traveler		
Airport Lounge Access			Can be negotiated with rates or global programs cost \$399 per traveler		

Source: The Hidden Cost of Business Travel

Update this chart to reflect your proposed policy changes.



Appendix: Case Studies

Case study: Macerich increased traveler satisfaction and decreased costs

Traveler-Centric Policy Changes

- Reimbursed TSA PreCheck and Global Entry
- Allowed road warriors to book business class on flights 4+ hours

Outcome

- Satisfied travelers
- Higher compliance

Travel Tool Changes

- Chose a TMC with consumer-friendly booking tools and apps
- Re-introduced offline customer service support

Outcome

- High online adoption
- Increased compliance, leading to higher volume and better negotiated rates
- \$150K in savings

Case study: Macerich increased compliance and lowered negotiated rates

- Macerich's air volume with Southwest continued to be just below the levels required to negotiate rates.
- Their AVP of Procurement, Carol Velasquez began communicating that travelers would only be able to access the lowest Southwest fares via their TMC.
- She also stressed the importance of booking Southwest corporate rates in order to lower airfare.
- As a result, Carol was able to meet her volume requirements, and lower fares even after paying a fee to use her TMC for booking.

Case Study: Travel-friendly policies work best with traveler-friendly tools

- Traveler satisfaction studies showed travelers and arrangers were happy with the user-friendly booking tool Macerich was using, but executives wanted to go to RFP.
- After going to bid, Macerich decided to switch TMCs.
- Travelers and arrangers were unhappy with the new tool. Trips that used to take 15 minutes to book now took up to 45 minutes to book.
- Carol turned back on her original booking tool only three months later despite the work needed to upload rates and communicate with travelers because she wanted her travelers and arrangers to be happy.
- Implementing new policies doesn't mean you need a new TMC or online booking tool – unless the new tool proves to be a more traveler-friendly alternative.



Appendix: More Resources

Traveler-desired perks by country

Which Amenities Would Improve Your Satisfaction and Productivity?

% Considered Top 2 for Each

Base: Total Sample (n=4521)

		AUS	CAN	FRA	GER	NOR	SGP	SWE	UK	US
In-flight Wi-Fi	Satisfaction	27%	32%	36%	30%	38%	30%	37%	30%	34%
	Productivity	▼ 41%	48%	54%	52%	▲ 51%	46%	▲ 47%	51%	52%
Non-stop flight if available	Satisfaction	▼ 27%	38%	▲ 34%	42%	32%	23%	33%	32%	35%
	Productivity	▼ 38%	▲ 42%	39%	▲ 46%	40%	▼ 39%	41%	34%	43%
Extra time off to compensate for traveling during weekends / personal time	Satisfaction	34%	28%	36%	▲ 38%	28%	33%	20%	36%	32%
	Productivity	22%	▼ 22%	▲ 29%	28%	23%	25%	▼ 22%	26%	27%
Class upgrades on flights longer than 6 hours	Satisfaction	▲ 37%	30%	33%	▼ 26%	30%	▲ 42%	▼ 29%	35%	31%
	Productivity	26%	26%	▼ 18%	24%	21%	▲ 27%	23%	23%	18%
Airport lounge access	Satisfaction	▲ 33%	27%	▼ 19%	24%	27%	30%	▲ 37%	26%	22%
	Productivity	▲ 31%	19%	▼ 17%	18%	23%	20%	22%	24%	18%
Fast track airport options	Satisfaction	▼ 16%	20%	▼ 17%	22%	▲ 25%	▼ 17%	25%	19%	22%
	Productivity	▲ 18%	23%	19%	▼ 15%	23%	▲ 25%	25%	22%	24%
Priority boarding	Satisfaction	26%	25%	▲ 24%	18%	21%	24%	19%	21%	23%
	Productivity	23%	20%	24%	18%	19%	19%	21%	20%	18%

Business Travel News - Voice of the Traveler survey

- Are your travelers satisfied with your program? You can find out using this complimentary survey from BTN:
http://www.businesstravelnews.com/THI/Survey-Link-Request?utm_source=Egencia&utm_medium=Newsletter&utm_campaign=Voice%20of%20Traveler
- You will receive a customized link to share with travelers. Then, you can login to a portal to view your company's results and how they compare to other participating companies.

Note: The Voice of the Traveler survey will be live through October 2017.

