

WHITE PAPER

THE DIGITAL BUSINESS TRAVELER

Sabre[®]

INTRODUCTION

Today's digital business traveler wants one thing above all: **self-service**. Travelers want the freedom to handle parts of their journey themselves – from downloading digital boarding passes on the go, to amending bookings in the event of disruption or using mobile payment options. They want to receive flight information in real time, relevant communications and personalized offers like upgrades, preferred hotel promotions or other special offers from their preferred travel suppliers. Above all, travelers want seamless, hassle-free travel experiences – and they're looking to technology to make it possible.

So, what does this mean for travel managers and travel management companies (TMCs)? Enabling travelers to manage parts of their journeys themselves can free up time for travel managers and TMCs to focus on other business-critical functions, but travel managers need their travelers to book within their travel policy guidelines. The travel policy will invariably include suppliers like airlines and hotels with whom the company has negotiated travel discounts and rates in an effort to control travel expenditure and achieve budget goals. When travelers book all or parts of their journey themselves, surely it makes it hard, or even impossible, to enforce the guidelines?

Yet self-service is a trend that many travel managers and TMCs themselves support. By embracing this trend, and developing and deploying the technology that travelers use to seamlessly service their own trips, travel managers can greatly improve traveler satisfaction and enhance their program with the inclusion of self-service options.

And what does it mean for customer service? The truth is that in business travel, self-service doesn't mean that customer service isn't still relevant.

Business travelers want to be able to carry out certain functions themselves, like changing the details of an itinerary or re-booking during a disruption, but they still want customer service. The technology may exist to make the traveler's life easier and to increase their feeling of control – but travelers still value the way travel consultants can make things more convenient or assist with complicated itineraries.

As technology continues to advance, self-service creates a unique opportunity for travel managers and TMCs to:

- reduce traveler friction. Happier travelers are not only more likely to align with travel policy but also more likely to end up contributing at a higher level to the company.
- provide travelers with more freedom, personalized experiences, and information throughout the trip
- ensure travelers are complying with their organization's travel policies
- meet their duty-of-care obligations and ensure travelers' safety.

So, what types of technology are travelers using? What are they using it for? And what does it mean for travel managers and TMCs?

Sabre conducted an online survey in partnership with the Global Business Travel Association (GBTA) to understand more about today's business travelers. We surveyed 756 North America-based business travelers and 970 European travelers.

We set out to discover:

- 1 How today's digital business travelers are utilizing consumer technology trends in business travel
- 2 What types of self-service technology travelers typically use
- 3 How often companies recommend travel apps to their travelers
- 4 How organizations are using mobile technology to meet duty-of-care obligations
- 5 What effect self-service technology is having on the travel industry.

As the workforce changes to include a new generation of connected, mobile-first travelers, the trend towards self-service is set to continue. And it creates a great opportunity for TMCs and travel managers to enhance their travelers' experiences, engage with them in deeper and more meaningful ways and actually create better customer service than ever before.

Travelers want seamless, hassle-free travel experiences – and they're looking to technology to make it possible.



THE RISE OF SELF-SERVICE IN THE TRAVEL INDUSTRY

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The popularity of self-service technology continues to grow with today's travelers. Research shows that 78 percent of travelers in the US would choose to manage their journeys through self-service technology. This is compared with 77 percent of travelers in Italy and 73 percent in Spain. The Nordic countries follow with 60 percent. 56 percent of travelers in Germany are interested in using self-service.

This doesn't mean that travelers no longer want the service of their travel manager or TMC. It's actually quite the opposite. A recent GBTA Foundation survey shows that 82 percent of business travelers in the US who booked with a TMC in the past year were satisfied doing so. Travelers don't want to book every part of their itinerary themselves or disregard their organization's travel policy. Rather, they want more autonomy during their journey to handle portions of their trip themselves. They want to use their smartphones and other consumer technology to simply enhance their travel experience wherever they can.

How the travel industry is catching up

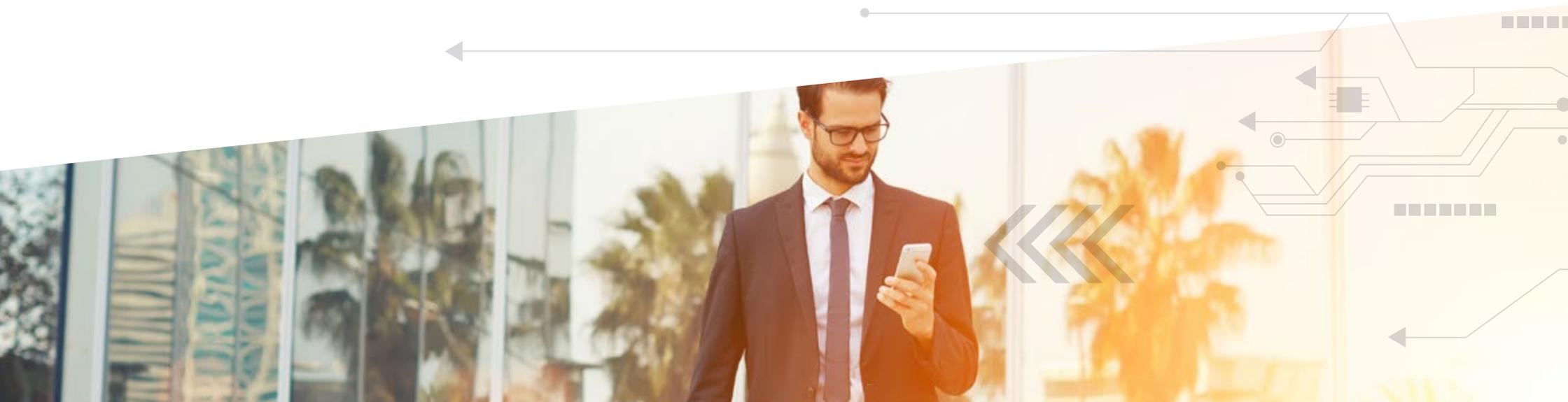
Travelers have been moving towards self-service for many years. Just as grocery stores put in self-checkouts, airlines have installed self-check-in kiosks. By placing control in the hands of passengers, airlines have been able to increase convenience and reduce costs.

Consumer desire for self-service goes far beyond just the travel industry. In 2011, Starbucks introduced its innovative payment app, which enabled customers to pay for their coffee direct from their smartphone. Now it's taking things one step further by introducing a new feature that enables people to order and pay for their purchase in advance.

It's a continuing trend which sees people embracing the opportunity to serve themselves in a number of ways, for a number of services. Many hotels now have kiosks, and some restaurants enable you to order and pay via tablet devices. People manage their money via mobile banking,

and mobile technology is making self-service a much more realistic possibility for many businesses. Now that travelers are able to serve themselves elsewhere, they expect to be able to do the same with travel technology.

This creates a unique opportunity for travel managers and TMCs to not only provide better experiences for business travelers, but also take advantage of benefits within their own businesses.



Benefits for travel managers

By enabling travelers to handle parts of their journey themselves, travel managers can remove many of their more tactical day-to-day tasks to focus on more strategic initiatives, such as:

- › Building out travel policies
- › Evaluating new technologies
- › Analyzing travel program data
- › Coordinating with senior leadership
- › Negotiating with suppliers.

Travel managers can also increase compliance with the organization's travel policy, by sending travelers messages throughout the journey to remind them where they can access their travel policy. These communications not only update travelers on where to find details of their travel policy, but are also a great way to share key in-trip information, such as whether breakfast is included in their hotel stay. Travel managers can also ensure travelers only use approved services and travel partners.

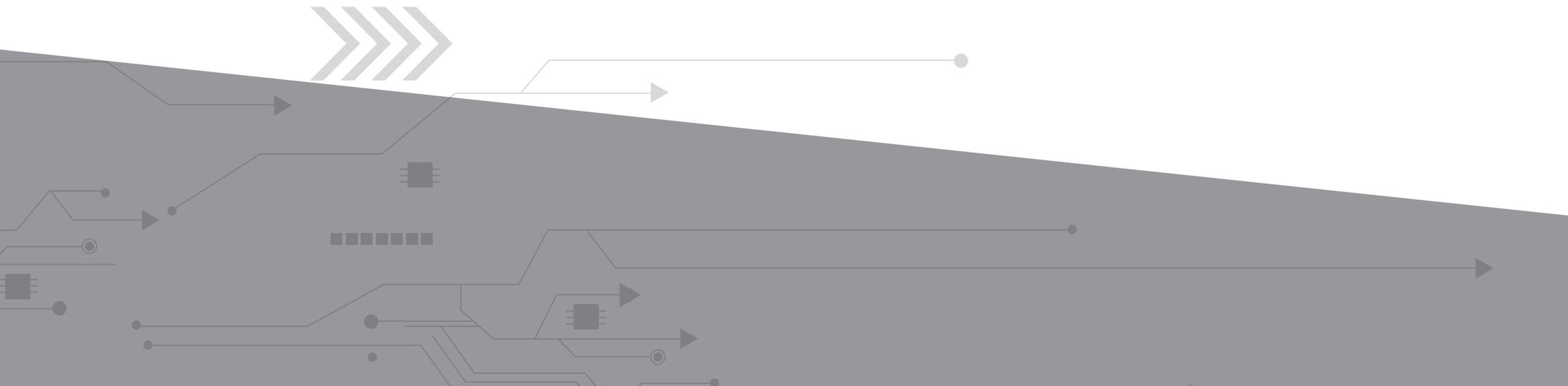
Finally, mobile technology can help travel managers meet their organization's duty of care obligations to employees, by keeping in touch with business travelers throughout their journey and ensuring their safety. You can read more about this in Section 4.

Benefits for TMC's

TMCs can focus on self-service as a key differentiator by offering the tools that enhance the traveler experience. Empowering travelers with the ability to control their business travel experience provides them with a greater sense of autonomy – thereby increasing customer satisfaction and the likelihood that they will comply with travel policy.

TMCs can access a wealth of data to gain insights into how travelers approach business travel and their preferences for managing their trip. They can use this information to evaluate opportunities to improve and enhance their services and the technology solutions they offer. Plus, with more information about travelers' preferences, TMCs can provide more personalized itineraries and upsell additional products and services. You can read more about this in section 5.

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DEVELOPING A PLAN
FOR SELF-SERVICE

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In order to take full advantage of the self-service opportunity, travel managers and TMCs should look at the self-service options they currently offer and recommend where they could improve their offering.

Despite the fact that the majority of business travelers are now using self-service technology, only a small number of businesses recommend specific travel apps to their employees. The research shows nearly half of all respondents globally work for organizations that do not recommend any travel apps at all.

DOES YOUR ORGANIZATION CURRENTLY RECOMMEND TRAVEL-RELATED MOBILE APPS?



My organization has specific apps they require for business travel	20%	13%	13%	12%	18%	13%
My organization allows us to use our own preferred apps for business travel	38%	34%	21%	36%	36%	19%
No, my organization does not recommend any travel apps	46%	49%	54%	50%	49%	59%
Not sure	4%	9%	18%	6%	4%	11%

And for those companies that do have preferred travel apps, uptake is reasonably low.

USE OF COMPANY PREFERRED TRAVEL-RELATED MOBILE APPS

FILTERED FOR TRAVELERS WHO WORK AT ORGANISATIONS WITH A TRAVEL POLICY.



Expense management	20%	13%	13%	12%	18%	13%
Itinerary management (TripIt, TripCase, etc.)	38%	34%	21%	36%	36%	19%
Travel Management Company	46%	49%	54%	50%	49%	59%

At the same time, fewer than 20 percent of travelers globally use itinerary management or TMC-created apps. This could be a concern to travel managers, as it indicates bookings through OTA or supplier channels, which might not appear within the travel management system.

By not making recommendations or establishing preferred apps, there is a risk that travelers are booking outside of their organization's travel policy. However, if travel managers introduce tested and approved travel apps into their policy, they can cater to the travelers' desire to use self-service and ensure compliance. They can choose from third-party apps, or apps developed by their TMCs.

There is a similar opportunity for TMCs to create their own self-service technology, devising their own universal travel app for customers. This would enable them to enhance the entire end-to-end journey for travelers, offering updates, offers and ways for travelers to self-serve as much or as little as they like – all through one dedicated app. The user could see their entire travel itinerary in one place, and make changes or updates as necessary. The TMC could also use push notifications to deliver real-time updates and use customer data to deliver personalized experiences for the traveler (more on this in Section 5).

Alternatively, TMCs could validate and propose a suite of trusted apps for traveler use. Again, this would enable them to gather customer data and ensure travelers stay within the bounds of their organization's travel policies.

“By not making recommendations or establishing preferred apps, there is a risk that travelers are booking outside of their organization's travel policy.”

A person's hand is shown holding a smartphone, with the screen displaying various app icons. The person is wearing a blue denim jacket. The background is a blurred outdoor scene, possibly a train platform, with a geometric pattern of thin lines overlaid on the image. A large red number '3' is positioned on the left side of the image.

3

WHAT TYPES OF
TECHNOLOGY ARE DIGITAL
BUSINESS TRAVELERS USING

WHAT TYPES OF TECHNOLOGY ARE DIGITAL BUSINESS TRAVELERS USING?

Travelers are using self-service technology for various elements of their trips. Out of the five most commonly used apps in North America, three are actually travel supplier apps: airlines, lodging and ground transportation. These supplier apps have proven sticky with today's business traveler. The other two more commonly used apps are for restaurants and online booking sites (e.g. Kayak, Hotels.com etc.).

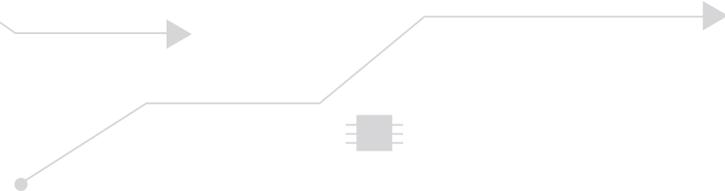
Ride-sharing services, like Uber, have grown in popularity in recent years, as they enable travelers to book and pay for a taxi via an app. This makes it more convenient to arrange onward travel, and the traveler doesn't have to worry about carrying cash. It's interesting to see that 29 percent of US-based travelers are using these services during business trips. This compares with less than 15 percent throughout the European countries surveyed. However, this trend is expected to continue growing. But what does this mean for duty-of-care, and how do TMCs and travel managers bring this into policy? Read more about this in section 5.

There are also two outliers worth mentioning: Germany and the Nordic countries. Each vary significantly from the median when it comes to using travel apps. A surprising 38 percent of travelers in the Nordics and 23 percent of those in Germany do not use any travel apps.



FOR WHICH PURPOSES DO BUSINESS TRAVELERS USE TRAVEL-RELATED APPS?

						
Navigation (GPS)	34%	42%	43%	43%	39%	34%
Flight check-in/status	51%	44%	38%	36%	44%	39%
Book hotel	42%	39%	31%	41%	52%	28%
Airline boarding pass	43%	40%	29%	28%	45%	38%
Currency converter	14%	30%	27%	19%	21%	21%
Book car rental	28%	26%	26%	29%	35%	15%
Online translation	13%	20%	25%	25%	23%	17%
Hotel check-in	36%	31%	24%	24%	26%	19%
To check reviews	32%	43%	23%	40%	31%	26%
Book flight	42%	37%	22%	40%	52%	23%
Book rail/train	11%	17%	22%	35%	31%	20%
To make restaurant reservation	21%	20%	16%	26%	19%	14%
Social media (sharing trip details/pictures)	22%	22%	12%	17%	20%	17%
Request an Uber/Lyft/Taxi	27%	19%	10%	15%	11%	8%
Capture/store receipts	16%	16%	10%	12%	17%	5%
Track/manage expense reports	17%	20%	8%	16%	18%	3%
Hotel room key	13%	12%	7%	8%	19%	3%
I do not use travel apps	9%	19%	20%	10%	7%	25%



Digital payments present new opportunities

Digital payments are catching up with more traditional forms of payment for travel. Up to 20 percent of business travelers have now used virtual payments or e-wallet systems to pay for business-related expenses, and this trend is expected to continue.

HOW DO BUSINESS TRAVELERS TYPICALLY PAY FOR BUSINESS-RELATED EXPENSES WHILE ON A BUSINESS TRIP?

	USA	Canada	Germany	Italy	Spain	Sweden
Personal credit card	59%	62%	54%	64%	51%	62%
Corporate business card	53%	50%	44%	40%	53%	44%
Cash	20%	23%	40%	38%	45%	16%
e-wallet (mobile payments)	11%	7%	3%	8%	9%	2%
Virtual payments	10%	10%	9%	13%	20%	5%

As the technology advances over the next few years, business travelers are primed to increase their use of digital payments. In most countries, travelers were “likely” or “very likely” to use mobile payments if available.



HOW LIKELY ARE BUSINESS TRAVELLERS TO USE MOBILE PAYMENT AND /OR E-WALLET TECHNOLOGY IF THEY HAD THE OPPORTUNITY?

	Likely / Very likely	Somewhat likely	Not likely at all / not very likely
USA	62%	17%	21%
Canada	53%	25%	22%
Germany	59%	23%	17%
Italy	75%	15%	10%
Spain	73%	17%	10%
Sweden	43%	17%	40%

“Up to 20 percent of business travelers have now used virtual payments or e-wallet systems to pay for business-related expenses...”



PERCENTAGE WHO WOULD "LIKE" / "VERY LIKELY" USE E-WALLET TECHNOLOGY / MOBILE PAYMENT BY AGE

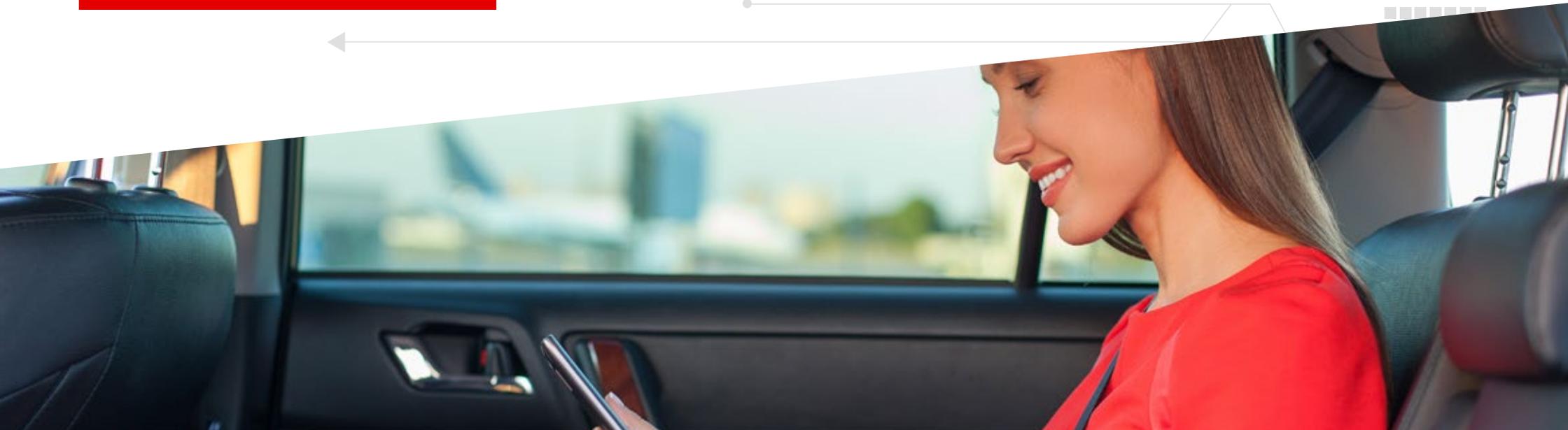
	 18 - 34	 35 - 54	 55 or over
	43%	17%	40%
	76%	76%	54%
	79%	58%	47%
	64%	56%	31%
	83%	75%	58%
	73%	57%	48%

Again, this presents a real opportunity for TMCs and travel managers. The advantages of digital payments are clear. Travelers get increased security, as there are no cards to lose or risk being stolen and digital payments reduce the risk of fraudulent charges. They're also more convenient for travelers who do not have or do not want to use personal credit cards.

There are also a number of benefits for businesses. They can create virtual card numbers for a specific amount, vendor and travel event. So, they can help to ensure travelers have the money they need to cover expenses for each trip. They can also automatically match bookings to payments with custom data fields, making reconciliation of payments simpler as all the relevant data is stored in one place. And it's much easier than tracking cash payments.

The research shows there is an increasing shift towards virtual payments, as Millennials are soon set to form the majority of the workforce. And these are the travelers who will really drive the adoption of mobile payments.

Online banking, digital transactions and wearable technology are the norm for this generation, who have turned their back on traditional payment methods like credit cards. In fact, a recent survey found that around 64 percent of Americans aged 16 to 36 don't own a credit card. As such, travel managers and TMCs will need to find a way to cater for their preferred ways to pay.





4

MAKING IT PERSONAL

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With technology comes the ability to collect data throughout the traveler's journey, and that information can be used to build customer profiles to offer travelers more personalized experiences. Travel managers can use insights into historical booking data, traveler profile information, reservation browsing patterns and much more.

Agents can provide travel recommendations based on customer profile data, such as their preferred airline, seat, times to fly, frequent flyer number, favorite hotels and loyalty numbers.

Travel managers can even use this technology to ensure travelers know about different elements of their itinerary, or relevant in-trip information like whether breakfast is included with their hotel room and any other facilities they can use.

For example, if a traveler prefers to fly with Delta and always stays in the Hilton, they might be inclined to use the Delta app to get flight details and updates, and maybe pay for upgrades. They could also use the Hilton app to book their hotel room and request a slot in the spa. This is problematic for TMCs and travel managers as it means they could be booking out of policy. And this vital data won't be available for TMCs to build up that unique traveler profile

As such, it's important for TMCs to develop a means whereby they know this information in advance. That way, they can provide personalized experiences and book everything the traveler needs, reducing the chance that they'll book outside of the preferred travel booking tool and book out of policy. The traveler should only need to book through the TMC or travel manager, and not go anywhere else.

Of course it's about balancing the desires of travelers with preferred suppliers and travel policy. But the more the traveler's experience and preferences are taken into consideration, the greater chance of traveler satisfaction. And with that comes greater compliance.



There's also an opportunity for TMCs to use this information to improve their services and the technology solutions they offer. The more information they have, the more personalization they can offer, like informing travelers about potential flight or hotel upgrades available with their loyalty status. If they know a traveler is staying in a certain place, they can include details of local attractions or offers that they might enjoy during their downtime – then offer tickets or reservations. And it's something that travelers clearly want, with the majority saying that receiving personalized travel offers was either 'important' or 'very important' to them.

Similarly, if the traveler wants to extend their stay for personal leisure, or 'bleisure' (e.g. a trip to Rome could include a weekend stay to take in the sights), this can be built into the package as well. So there's a wealth of opportunities to upsell or add value to travelers itineraries – which will increase revenue and customer satisfaction.

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5

DUTY OF CARE FOR
DIGITAL TRAVELERS

DUTY OF CARE FOR DIGITAL TRAVELERS

One of the key priorities for any travel manager or TMC is duty of care and ensuring the safety of employees while they're away on business. For example, if a traveler books their flight through the TMC, but then gets their onward transport through Uber and books a hotel direct through the Hilton app, the travel manager has no way of knowing if they have arrived at their final destination safely or how to locate the traveler in the event of an emergency. When self-service technology is embraced within travel program, duty of care is a key area that can be addressed.

Research shows that 25 percent of travelers in the US have used mobile apps to communicate with their organization at various points during their trip. This compares with 19 percent of travelers in Germany, 20 percent in Italy and 17 percent in the Nordic countries. The travelers who use this function most commonly are those in Spain, where 36 percent of travelers used mobile apps to keep in touch with their company.

USAGE OF TECHNOLOGY FOR DUTY OF CARE IN THE PAST 12 MONTHS

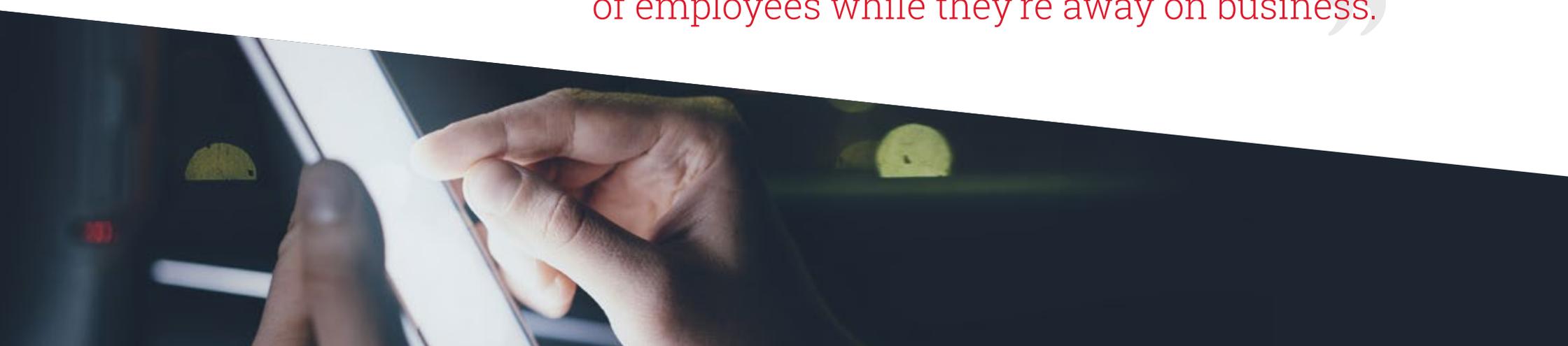


I've called or emailed my company to check-in during my trip	43%	41%	17%	44%	50%	19%
My organization does not have the technology to track me during any of my business trips	25%	24%	29%	16%	12%	39%
I've used a mobile app to "check-in" with my company at various points during my trip	25%	24%	19%	20%	36%	17%
I've used a mobile app that allows my company to track my location	17%	15%	10%	15%	19%	9%
I've used a mobile app to request emergency assistance	13%	10%	10%	12%	12%	5%
I've called or emailed my company to request emergency assistance	8%	9%	7%	10%	9%	4%
None of the above	22%	25%	36%	25%	23%	33%

Similarly, some travelers have used mobile apps to request emergency assistance while they were away. Despite this, the number of companies that have the technology to track their employees remains relatively low.

Again, this presents an opportunity for travel managers and TMCs. By enabling travelers to use all the tools they need to self-serve throughout their journey, it becomes easier for organizations to see where travelers are. With the right suite of pre-approved self-service apps, travel managers can track their employees, send them messages and updates. They can also make it easier for travelers to check in or report problems when they're on the move.

“One of the key priorities for any travel manager or TMC is duty of care and ensuring the safety of employees while they're away on business.”



WOULD BUSINESS TRAVELERS LET THEIR COMPANY TRACK THEIR LOCATION VIA THEIR MOBILE PHONE FOR DUTY OF CARE?

	yes 	no 
	61%	39%
	58%	42%
	65%	35%
	87%	13%
	71%	29%
	48%	52%

By creating a universal app, or by enabling certain apps as part of the travel itineraries they sell, TMCs can help organizations to meet their duty of care and ensure travelers are safe and happy.

And it's something people are keen for their organizations to utilize. 61 percent of travelers in the US said they would be happy for their company to track them via mobile phone whilst on a business trip. European travelers were even more open to monitoring their whereabouts for duty of care, with 71 percent of travelers in Spain and 87 percent in Italy agreeing.

The research shows that just 31 percent of business travelers in North America said that they're required to follow their organization's published and enforced travel policies. In Germany, this figure was 39 percent, in Italy 37 percent and Spain 31 percent. Without a policy in place to recommend travel technology and apps, travel managers are losing the opportunity to improve their program and ensure happier, safer and more productive travelers. So, they're also missing the chance to make the significant bottom line savings that lead to improved financial results.



A woman with blonde hair, wearing a blue patterned scarf and a dark jacket, stands in profile holding a white tablet. She is in an urban environment with modern buildings in the background. A large, semi-transparent geometric pattern of interconnected lines is overlaid on the right side of the image. A red diagonal banner runs across the bottom of the image.

6

CONCLUSION

CONCLUSION

Self-service technology in travel is here to stay. And as the technology develops further, enabling people to do more for themselves, the number of travelers using it will continue to grow.

This presents travel managers and TMCs with a great opportunity. They can use this technology to enhance their travelers' experiences, make their journeys more seamless and improve customer satisfaction. By embracing this change and giving travelers more autonomy to take care of certain elements themselves, they can also ensure travelers comply with their organizations' travel policy.

Keeping travelers informed

Travel managers and TMCs can provide information throughout a traveler's journey to update them on their itinerary and alert them when they're booking outside of the travel policy. Travel managers should utilize technology to communicate the most relevant information to travelers in the most timely manner. Essentially, it's all about providing the services and tools travelers need to reduce the stress of business travel and be more productive.

With travelers managing elements of their own journeys, travel managers and TMCs can free up time to focus on other strategic tasks, like supplier negotiations or applying data and insights to optimize travel policies. They can automate simple tasks to increase their own efficiency. And they can harness traveler profile data to offer more personalized options for travelers – again, increasing satisfaction.

Bridging the technology gaps

With Millennials soon to make up the majority of the workforce, this self-service trend is going to continue to grow, and they will expect further innovations and subsequent changes to travel policies.

With 70 percent of Millennials voicing a preference for self-service, and with the large majority favouring mobile payments over credit cards, travel managers and TMCs need to consider not only enabling and encouraging the use of mobile technology, but also embracing digital payments. They need to make sure they have the right tools and policies in place to meet the needs of the new tech-savvy travelers.





Sabre

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