

A new and better future for business travel

FCM Travel offers exclusive insights into business traveller sentiment

With 2022 around the corner, businesses globally are gearing up to send their road warriors out into the world again. The question on everyone's mind is how business travellers will experience the return to the skies and whether they feel ready and prepared.

In a recent travel trend survey conducted by FCM during the month of October 2021, 175 respondents from 26 countries, including New Zealand, provided answers to burning issues such as the impact of the vaccine on travel, how to tackle safety, what we can expect from travel costs, and many more.

The vast majority (63%) of respondents indicated that new and better things await business travel in the year to come.



To be vaccinated or not to be vaccinated?

Concerns over health and safety while travelling for business remain – and will continue to do so in the foreseeable future. Travel companies have upgraded safety protocols and created flexible travel policies.

A hot topic in our current climate is vaccinations. It is imperative that companies understand and address how employees perceive vaccination.

The FCM surveys shows that:

- The majority of respondents (**64%**) said they will only get back to travel once they are fully vaccinated.
- Only **36%** of respondents said travel will resume regardless of vaccination.

A travel policy revamp is in order

Most companies agree their travel policy needs a revamp – especially now that we've lived through a global pandemic. The question is: what should change and how?

According to the FCM survey, the following elements are rated as very important:

Duty of care:
73%

Travel tracking:
46%

Expense reporting:
39%

Approval Processes:
31%

Trip length:
17%

What keeps travellers up at night?

Unsurprisingly traveller safety and well-being still trump all other concerns in a post-pandemic world. After months of lockdown and social distancing, travellers need to know their safety comes first before they hit the road.

The main concerns highlighted in the FCM survey showed that

- **46%** indicated safety and well-being was their main concern.
- **35%** are worried about isolation measures.
- **18%** indicate that cost and availability of travel services is a concern



The anticipation of travel costs in 2022

While corporate travel budgets remain under pressure, it's only natural that companies are trying to have a look in the crystal ball when it comes to travel costs in 2022. Unfortunately, the majority of respondents predict travel costs will increase and therefore put even more pressure on tight budgets.

- **48%** of respondents predict travel will be more expensive in 2022.
- **38%** say prices will remain the same.
- **14%** are hopeful and predict travel costs will be cheaper.

Less spend, less travel?

The vast majority of companies foresee they will still reduce business travel – up to 50%. Very rarely do organisations say that all travel is essential (0.2%). Similarly however, very few companies (less than 1%) foresee to cut business travel by more than 50% as they recognise it is an imperative part of business growth.

- **29%** will cut business travel between 25% and 50%.
- **29%** will cut business travel up to 25%.

(The others say no or unsure of the percentage their company will reduce business related travel costs.)

What will it take to get travellers back into the skies?

Corporates are weighing the pros and cons of each trip carefully. They have started to realise the value of in-person meetings but are careful not to make people travel for things that could or should be handled virtually.

This trend becomes abundantly clear in the FCM survey when respondents were asked for which reasons they would take back to the skies:

- **49%** said they would travel for essential requirements.
- **14%** would travel to visit regional offices.

Essential travel is likely to mean different things to different people, but is likely to include supplier relations, managing customer relationships, new business opportunities, building a company culture and key account management.

There are many factors at play in the road to business travel recover. But what is certain is that green shoots are starting to show and that we can expect a gradual but steady return to a healthier and more productive business travel landscape.