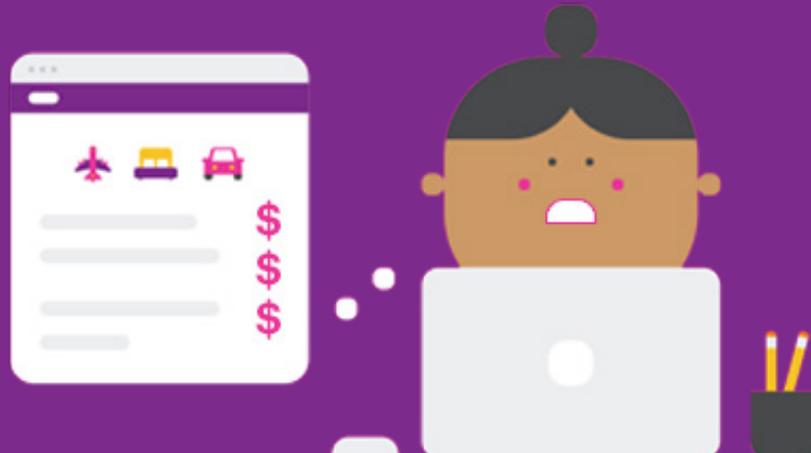# The Cost of Doing Business Travel.

A new study of 1,300 corporate travelers and travel arrangers reveals how much time and money companies are wasting with inefficient travel management.

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Business travel offers critical opportunities for companies to meet with clients, attend tradeshows, and more. However, most travel programs are outdated, unintuitive, and difficult to manage. Worse, they're probably costing your business time and money.

An exorbitant amount of time and money is dedicated to travel management by both travel arrangers, like an executive assistant or office manager, and the travelers themselves. Booking (and re-booking) travel, providing support for disrupted travelers, and tracking and reimbursing travel expenses require a lot of time and manual work, especially if they're done inefficiently.

But these wasted resources often fly under the radar, which subjects companies to the consequences of overspending and wasting time, without any knowledge of how to solve the problem.

The first step to solving a problem is knowing that it exists and is having an impact. We wanted to know exactly how much time and money companies are wasting on inefficient corporate travel management, so we conducted a study of more than 1,300 frequent travelers and travel arrangers to find out.

The results were eye-opening: respondents were very clear that suboptimal travel management is hurting their productivity, their patience and even their job satisfaction.In this report, we lay out all the data and analyze exactly how much time and money is being wasted on poor travel management.

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Survey Methodology & Demographics

Two-sided survey conducted at 95% confidence, +/- 4% MOE

619 Travel Arrangers

- Live in U.S.
- Employed full-time
- Responsible for managing employee travel (including executive assistants)

- Small company (<50): 33%
- Midsize (51-500): 47%
- Large (501+): 21%

714 Business Travelers

- Live in U.S.
- Employed full-time
- Travels for business at least 4X a year

- Small company (<50): 26%
- Midsize (51-500): 45%
- Large (501+): 28%

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The Consensus is Clear: Travel is Critical for Business Success.

94%

of the business travelers we surveyed agree that well-managed business travel is critical for their company's success.

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Specifically, business travelers believe that travel is important for...

- Helping win new business (92%)
- Keeping customers happy (92%)
- Meeting with partners (93%)
- Meeting with investors (82%)
- Recruiting top talent (78%)
- Retaining top talent (83%)

In fact, 72% say the work they do when traveling for business to be among the most important/impactful part of their job -- with those working for SMBs being 29% more likely to feel that way.

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Despite it's importance, business travel is still largely unmanaged or undermanagedin most organizations. Typically, in one of two ways:

64%

of business travelers are responsible for booking their own travel using consumer booking sites

36%

of business travelers book their travel through an internal travel arranger or external travel agent

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What's worse, most of the people responsible for managing a company's travel internally don't feel set up for success:

49%

Of travel arrangers say their company provides NO tools to help with booking/managing travel

39%

Say the tools they are provided don't provide the level of support needed to do their job effectively

63%

Rely on manual and error-prone tools like spreadsheets and Word documents for managing their company's travel

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This Approach to Business Travel is Costing Companies Both Time & Money.

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Time Wasted: Travelers

The vast majority of survey respondents said that they are wasting valuable time booking their own travel or going back and forth with an external travel agent. In this section, we'll dive into the data and see exactly how much time people are wasting on travel booking and management.

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How Much Time are Travelers Spending Booking Their own Travel?

12

Average number of hours per trip spent researching, booking, adjusting, canceling and expense reporting.

With an average of 9 trips per year, that's 108 hours spent on travel booking per year.

15%

Average amount of total time spent dealing with travel booking. SMBs spend 70% more time here than large companies (17% vs 10%).

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Unsurprisingly, travelers who spend this much time booking their own travel are not very happy about the situation. Self-booking travlers...

64% Agree the aproach to business travel wastes time

55% Say it negatively impacts their job productivity

81% Like having control of their bookings, but...

70% Say time could be better spent in other higher value, more strategic areas of the business

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It turns out that self-booking corporate travelers aren't the only ones wasting time. Our survey revealed that employees who have an external travel agent booking travel on their behalf are also spending a significant amount of time managing their bookings.

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How much time are travelers who book through a middle man spending on travel booking?

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Average number of hours per trip spent communicating with travel booker, adjusting, canceling and expense reporting -- 33% fewer hours than those who book for themselves.

With an average of 9 trips per year, that's 81 hours spent on travel booking per year.

11%

Average amount of total time spent dealing with travel booking. SMBs spend 100% more time here than large companies (14% vs 7%).

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While having a middle man book on their behalf saves some time for travelers, they are still not satisfied with how much time and energy it does take up. Travelers who book through a middle man...

60% Agree the approach to business travel wastes time - 6% less likey to say it wastes time than those who book for themselves

48% Say it negatively impacts their job productivity - 15% less likely to say it impacts productivity than those who book for themselves

68% Appreciate having the help, but...

59% Believe the process would be more efficient and less time would be wasted if they could book for themselves

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Time Wasted: Travel Arrangers

Travelers aren't the only people wasting time booking corporate travel — internal travel arrangers (such as Executive Assistants and Office Managers) are also spending a surprisingly high amount of time booking, managing and tracking employee travel.

In this section, we'll explore the data around how much time travel arrangers are spending managing their company's travel program.

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How do travel arrangers feel about the way their companies manage travel?

25%

Of travel arrangers time is spent on administrative tasks related to booking and managing travel

58%

Agree the process their organization uses for booking/managing travel is inefficient

67%

Of travel arrangers say their company wastes time and sees lower productivity because of poorly managed travel programs

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How much time are travel arrangers wasting on travel management due to inefficient tools and processes?

7

Average number of hours per week that travel arrangers say is wasted due to inefficient tools and processes for booking/managing travel.

With a median of 5 people focused on travel management at company's today, that's 35 hours of wasted time across the organization every week.

18%

Average amount of time travel arrangers say would be freed up if they were given better tools for managing travel.

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The results make it very clear that travelers and travel arrangers are wasting a ton of time on travel management. But this is just the beginning: inefficient travel management is also hurting your company's bottom line.

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In the next section, we look at the money side of the equation: how much is your company wasting through inefficient tools and processes when managing travel?

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Show me the Money

So far we've shown the data about exactly how much time companies are wasting on travel management, and, of course, this lost time has a big impact on the bottom line. In this section we'll analyze the data around how much money companies are spending on travel management, and where the biggest inefficiencies are.

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Business travelers believe their company is wasting money thanks to inefficient travel management. In fact...

53%

Of travelers say their company's approach to travel booking/management wastes money.

While those who book through a middle man were 6% less likely to say the approach wastes TIME, they were 7% more likely to say the approach wastes MONEY.

50%

Of travelers say their company's approach to travel booking/management negatively impacts the bottom line.

Those who have to book their own travel were 10% more likely to say their company's approach negatively impacts the bottom line.

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All of that inefficiency has a big impact on the bottom line. According to our data, this wasted time amounts to tens of thousands of dollars of wasted spend over the course of a year, including:

$11,599

The amount in annual salary per business traveler that is currently allocated to hours spent booking/managing travel in organizations with unmanaged programs.

$8,506

The amount in annual salary per business traveler that is currently allocated to hours spent booking/managing travel in organizations where travelers work through a middle man.

36%

more of travelers' annual salary is allocated to hours spent booking/managing travel in organizations with unmanaged programs.

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Travelers also believe that their company's undermanaged travel process is causing them to overspend on travel...

41%

Of travelers have gone over budget on travel spending because they didn't know their company's policy.

Those who book themselves were 18% more likely to say they have gone over budget.

54%

Of travelers say their company loses money because of the number of hours they have to spend focused on low impact tasks like booking/managing travel.

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Travel arrangers also believe that their company's undermanaged travel process is impacting the bottom line, including:

67%

Say poorly managed travel programs wastes money at their organization.

67%

Agree or strongly agree that money is wasted because of nonexistent, unclear or unenforced travel policies that lead to inconsistent booking costs between employees.

66%

Say their organization goes over budget on travel.

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All of the time travel arrangers waste managing travel with inefficient tools and/or processes has a significant impact on the bottom line...

$27,528

The amount of the average travel arranger's annual salary allocated to administrative tasks related to booking and managing travel.

With a median of 5 employees per organization responsible for travel management, that totals more than $137,640 spent annually on administrative travel tasks.

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What Drives Wasted Time & Money According To Travelers?

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Top 5 Drivers of Wasted Time, Money or Both

Among Travelers Who Book Through Consumer Sites

83%: the manual, time-consuming expense reporting the process requires
81%: the time it requires to find options and compare prices across sites
81%: difficulty making changes if travel plans change
76%: the fact that consumer sites aren't geared towards business travelers
76%: lack of access to fast, on-demand support when traveling

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Top 5 Drivers of Wasted Time, Money or Both

Among Travelers Who Book Through Consumer Sites

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76% the fact that consumer sites aren't geared towards business travelers

76% lack of access to fast, on-demand support

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Top 5 Drivers of Wasted Time, Money or Both

Among Travelers Who Book Through Middle Man

83% the amount of back and forth communications required for expense reporting

81% complicated/inefficient processes for providing receipts for expense reporting

81% the amount of time it takes to track down receipts and share them with the right people for expense reporting

79% the amount of time required going back and forth regarding needed changes to travel

78% lack of access to fast, easy access to all of the travel information/documents needed for my trip in one place

3 of the top **5** factors involve expense reporting.

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What Drives Wasted Time & Money According to Travel Arrangers?

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Top 5 Drivers of Wasted Time, Money or Both.

Among Travel Arrangers

87% slow response times for support requests

87% having to use too many tools to do different pieces of my job

87% not having a single tool for booking and managing travel arrangements for another person

86% lack of transparency and collaboration between the travel arranger and the traveler

86% lack of integration with other internal tools such as expense reporting tools

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What else do travel arrangers say is costing their company time & money?

73% Of travel arrangers agree or strongly agree that money is wasted due to having multiple tools that don't work well together

72% Of travel arrangers agree or strongly agree that their company overpays for airfare and hotels because they have no tool for ensuring the best possible price

68% Of travel arrangers agree or strongly agree that money is wasted because existing tools don't allow the company to take advantage of individual employee brand loyalty program discounts

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Inefficient & ineffective travel management is also costing employees in terms of employee satisfaction and turnover. In this section we'll look at the data about how poorly managed travel impacts job satisfaction.

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For travelers, poorly managed travel can be a deal breaker, especially at SMBs...

70%

Say the way travel is managed impacts their job satisfaction - 14% more likely to impact travelers at SMBs

59%

Say inefficiencies related to travel management make them less happy in their role - 12% more likely to impact happiness of travelers at SMBs

44%

Say frustrations with business travel make them more likely to look for other jobs - 29% more likely to make travelers at SMBs start job hunting

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Travel arrangers' job satisfaction is also impacted by inefficient and/or unsupported travel management...

69%

Agree or strongly agree that not being provided adequate tools frustrates them in their job

63%

Say lack of adequate tools negatively impacts their job satisfaction

53%

Say lack of adequate tools makes them more likely to look for other jobs

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Clearly, most travelers and travel arrangers are dissatisfied with how their company manages corporate travel. But they agree on the best way to solve the problem: better tools.

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Better management tools are key to closing the business travel gap...

18%

The amount of time that travel arrangers say would be freed up if given better tools for booking/managing travel

73%

Of travel arrangers say better tools would allow them to focus on higher value/more strategic tasks

72%

Say travel booking/management could be done in less time if they had better tools for managing it

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Closing the Business Travel Gap

77%

Of travel arrangers say improved tools would make them more efficient in their job

81%

Say improved tools would make them more effective in their jobs

72%

Say travel booking/management could be done in less time if they had better tools for managing it

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So far, this report has been pretty doom and gloom — your company is wasting a ton of time and money if you're relying on outdated travel management systems, or if you have no system at all.

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But it's not all bad news! There are ways that you can minimize the negative impact of poor travel management. In the next section, we'll look at some of the data around these methods, including how much time and money you could potentially save through improved corporate travel management tools and processes.

Clearly travelers are not happy with how much time they have to spend booking and expensing travel, and that they believe more efficient tools would help them. But what exactly are they looking for in these tools?

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Giving Travelers What They Want

Top 5 Features That Would Improve Efficiency

66%: easy to understand guidelines for booking travel that meets company policies

51%: the ability to filter options based on company travel policies

49%: access to 24/7 support before, during and after travel

47%: digital receipts

46%: mobile access for on-the-go booking/management

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Giving Travelers What They Want

Top 5 Features That Would Reduce Wasted Spend

54%: easy to understand guidelines for booking travel that meets company policies

44%: the ability to filter options based on company travel policies

40%: more flight/airline options for flexibility

40%: one single view for comparing all hotel options for faster booking/ensuring best price

40%: digital receipts

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Giving Travelers What They Want

Top 5 Features That Would Improve Travelers Satisfaction

53%: easy to understand guidelines for booking travel that meets company policies

49%: access to 24/7 support before, during and after trips

48%: one consolidated place where all travel documents and loyalty numbers can be easily found and accessed on the go

47%: more flight/airline options for flexibility

45%: more/better hotel options

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The data makes it clear that travel arrangers are dissatisfied with the current state of travel management at their companies, and that they believe improved tools could offer significant help. But what exactly are they looking for in these tools?

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Giving Travel Arrangers What They Want

Top 4 Feautures That Would Improve Efficiency

54%: the ability to save info on traveler booking preferences for faster/easier booking in the future

51%: easy access to digital receipts

46%: the ability to auto generate itineraries and easily share them with travelers

43%: automated travel expense reporting

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Giving Travel Arrangers What They Want

Top 5 Featrures That Would Reduce Wasted Spend

49%: easy access to digital receipts

41%: real time reports showing all travel activities and expenses

40%: automated travel expense reporting

38%: real time alerts about changes like flight delays/cancellations

37%: the ability to save information on travelers' booking preferences for faster/easier booking in the future

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Giving Travel Arrangers What They Want

Top 5 Features That Would Improve Travel Arranger Satisfaction

50%: the ability to save info on travelers' preferences for faster/easier booking in the future

50%: easy access to digital receipts

44%: the ability to auto generate itineraries and easily share with travelers

43%: the ability to let travelers manage their own booking based on pre-set guidelines

41%: access to fast 24/7 human support

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Conclusion

So what now? Give the travelers and travel arrangers what they want. Nix your clunky travel management systems in favor of a more streamlined approach that prioritizes what those dealing with corporate travel both want and need for a positive, efficient, and valuable experience.

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