



Balancing Traveler Satisfaction and Well-Being with Program Compliance

June, 2017

With the support of:



CARLSON FAMILY FOUNDATION

Table of Contents

Introduction	p. 3
Methodology	p. 3
Key Findings	p. 4
Travel Policies.....	p. 6
Does traveler well-being inform company travel policies?	p. 6
Do companies use traveler feedback to update their travel policy?	p.7
How much support do travel programs receive when implementing well-being policies?	p. 9
Measuring Traveler Satisfaction	p. 11
Do companies measure traveler satisfaction?	p. 11
Perceptions of traveler satisfaction	p. 13
Amenities, Upgrades, and Services	p. 14
Balancing Traveler Satisfaction with Compliance	p. 16
The current state of program compliance	p. 16
Program compliance and traveler satisfaction	p. 18
Conclusion	p. 21
Respondent Profile	p. 22
Works Cited	p. 24
About the GBTA Foundation	p. 25
About the Carlson Family Foundation	p. 25

Introduction

Travel Managers are constantly balancing priorities. From setting specific savings goals, to maintaining or increasing traveler compliance and engagement, to keeping up with technology. Traveler well-being is no exception and represents a growing priority for many travel programs.¹ This study, based on a survey of corporate Travel Managers in North America and Latin America and examines the following:

1. Do companies consider traveler well-being when developing or revising their travel policy?
2. Do companies measure traveler satisfaction? If so, what specific areas do they focus on?
3. Are business travelers satisfied with their company's travel program?
4. How do companies balance traveler satisfaction with program compliance? Do efforts to improve traveler well-being/satisfaction make it easier or harder to improve program compliance?

Methodology

This study is based on an online survey of 313 Travel Managers based in North America (221) and Latin America (116). For this study, Mexico was included in Latin America, not North America. Fielding took place from March 9, 2017, to March 20, 2017.

The survey was sent via email to 6,873 travel professionals including 1,697 in North America and 5,180 in Latin America. Four hundred and twelve people completed at least one question in the survey, for a response rate of 6%. Of these respondents, 337 qualified because they were (1) based in North America or Latin America and (2) employed as a corporate travel buyer or procurement officer.

Results were occasionally tested for significant differences between comparison groups at the 95% confidence level. When found, the significantly higher result is marked with the letter that corresponds to the significantly lower result.

Comparison groups are:

¹ West, Elizabeth. "The Traveler Happiness Index." *Business Travel News*, 26 Apr. 2016, <http://www.businesstravelnews.com/Research/Traveler-Happiness-2016/The-Traveler-Happiness-Index>

- Travel spend: less than \$10 million per year; \$10 million or more per year
- Travel policy: Mandates; general guidelines

Key Findings

- **Many companies have high traveler satisfaction *and* program compliance.** For instance, of the North American Travel Managers who report more than 90% air compliance, 93% say a majority of their travelers are “satisfied” or “very satisfied” with their overall travel program. Of the North American Travel Managers who report more than 70% hotel compliance, 91% say a majority of their travelers are satisfied with their travel program.
- **For most companies, traveler well-being is an important consideration when developing travel policies.** When rating this importance on a five-point scale, 74% of North America-based Travel Managers assign it a rating of 4 (36%) or 5 (38%), indicating it has “a lot of weight on their final decisions when considering specific components of their travel policy.”
- **While many companies review their travel policy regularly, half or fewer collect traveler feedback during this process.** Yet when they do collect such feedback, it usually has a “moderate” or “high” influence on the adjustments they make to their travel policy, according to Travel Managers surveyed.
- **Even though only half of travel programs collect feedback *when reviewing their travel policy*, a majority measure traveler satisfaction at least annually.** This includes 69% of travel programs in North America and 73% in Latin America. However, small travel programs are much less likely to do so, compared to larger programs.
- **When measuring satisfaction, travel programs focus on a variety of areas.** In North America, the most common are *customer service/support from TMCs* (81%), the *online booking tool* (78%), and the *booking process* (74%). In Latin America, the most common are *customer service/support from TMCs* (60%), the *booking process* (60%), and *company-preferred hotels* (60%).
- **Most business travelers are satisfied with their company’s overall travel program.** Of the Travel Managers who measure satisfaction at their company, fewer than 20% in each region *do not* indicate that a majority of their company’s travelers are “satisfied” or “very satisfied” with their overall travel program.



- **Business travelers are more satisfied with their travel programs today, compared to 2 or 3 years ago, according to a majority of Travel Managers surveyed.**
- **Travel programs are split when it comes to allowing travelers to take direct flights and fly business class in particular instances.** Fifty-six percent of travel programs in North America, and 33% in Latin America, *allow travelers to book business class when travel is longer than a specified number of hours*. Similarly, three out of five (59%) travel programs in North America, and one-third (33%) in Latin America, *allow travelers to book direct flights, even when they cost more, for convenience*.

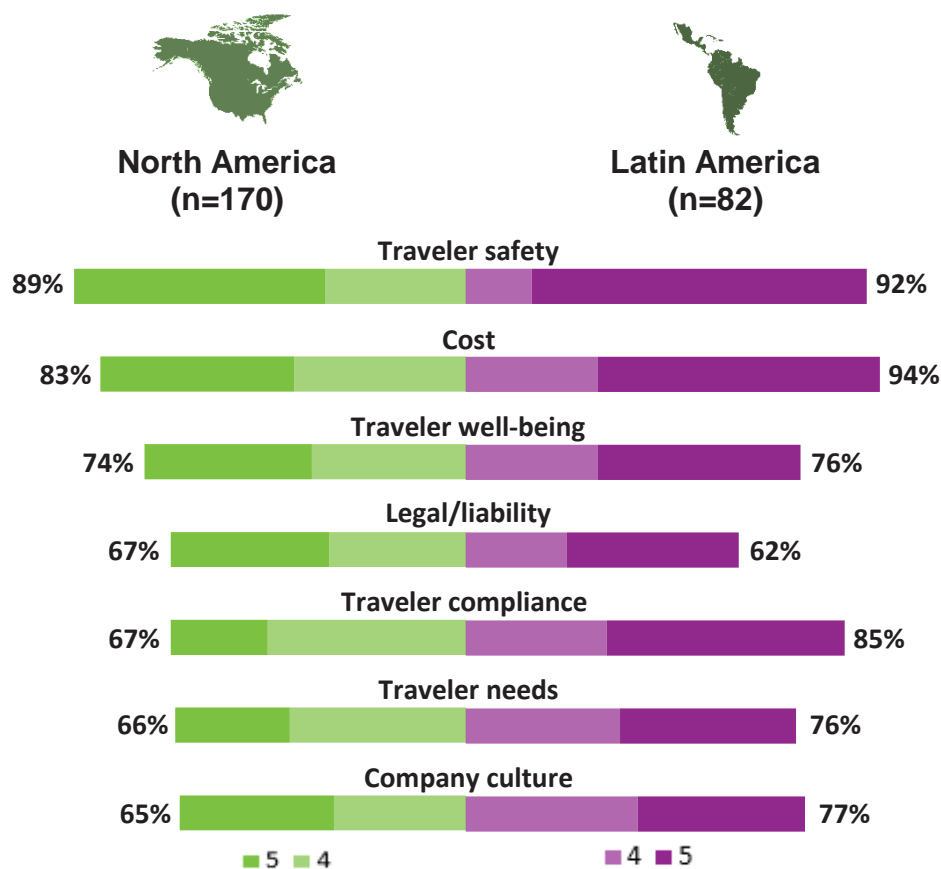


Travel Policies

Does traveler well-being inform company travel policies?

For most companies, traveler well-being is an important consideration when developing travel policies. When rating this importance on a five-point scale, 38% of North America-based Travel Managers assign traveler well-being the highest possible rating of 5, indicating it has “a lot of weight on their final decisions when considering specific components of their travel policy.” An additional 36% assign it a rating of 4. In Latin America, a similar share of Travel Managers assign traveler well-being a rating of 4 or 5. In both regions, travel well-being is rated about as important as other key priorities.

How Much Weight Do Various Factors Have When Considering Specific Components of Travel Policy? -% ranked “4” or “5” on a five-point scale where 5 equals “a lot of weight”/“a major factor”



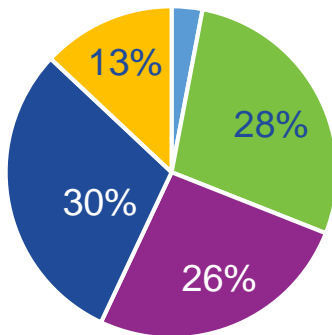
Q. When considering specific components of your travel policy, how much weight do each of the following have on your final decisions?

Do companies use traveler feedback to update their travel policy?

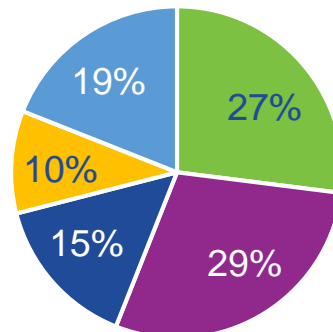
Almost all companies review their travel policy “to identify possible adjustments.” While some companies review their policy as *necessary*, almost one half in North America, and more than one half in Latin America, review it regularly, at least *once every 2-3 years*.

How Often Is the Travel Policy Reviewed to Identify Possible Adjustments?

North America (n=172)



Latin America (n=85)



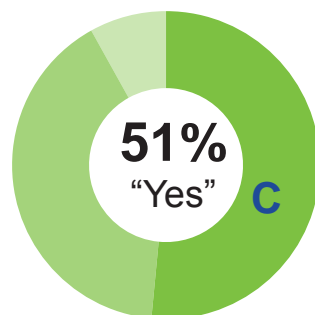
- Never
- As necessary
- Once every 2-3 years
- Once a year
- More than once a year

Q. How often is the travel policy reviewed to identify possible adjustments?

These reviews provide companies an opportunity to address traveler feedback. It appears, however, that only some travel programs have seized this opportunity. Only one half of travel programs in North America, and two out of five in Latin America, collect traveler feedback when reviewing their travel policy.

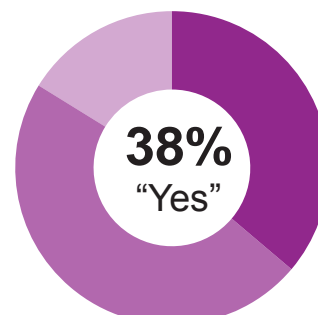
Do Travel Programs Collect Feedback From Travelers When Reviewing Their Travel Policy?

North America (n=169) B



- Yes
- No
- Don't know

Latin America (n=83) C



- Yes
- No
- Don't know

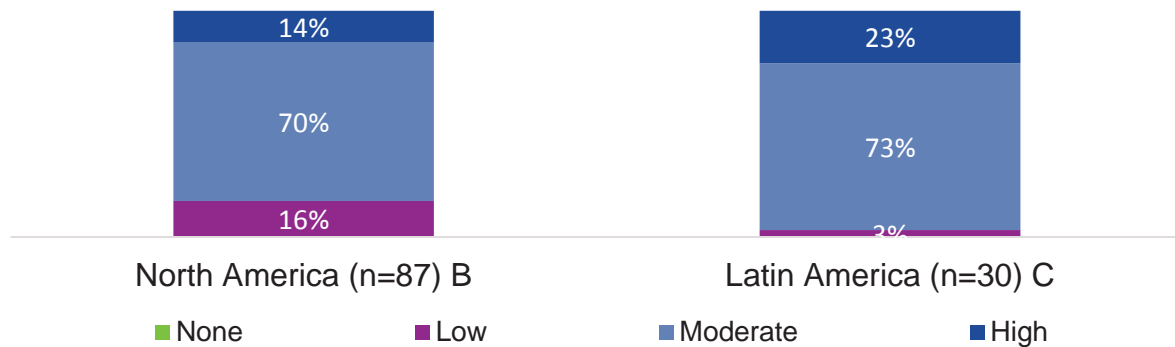
Q. Is feedback from travelers collected when the travel policy is reviewed? **Note: Question only displayed to respondents who indicated, in response to a previous question, that they review their travel policy at least occasionally to identify possible adjustments.**



Even though many travel programs *do not* collect feedback, it may be worthwhile to do so. Such feedback usually has a “moderate” or “high” influence on the adjustments companies make to their travel policy, according to Travel Managers surveyed. In addition, traveler satisfaction frequently improves when companies make policy adjustments based on feedback.

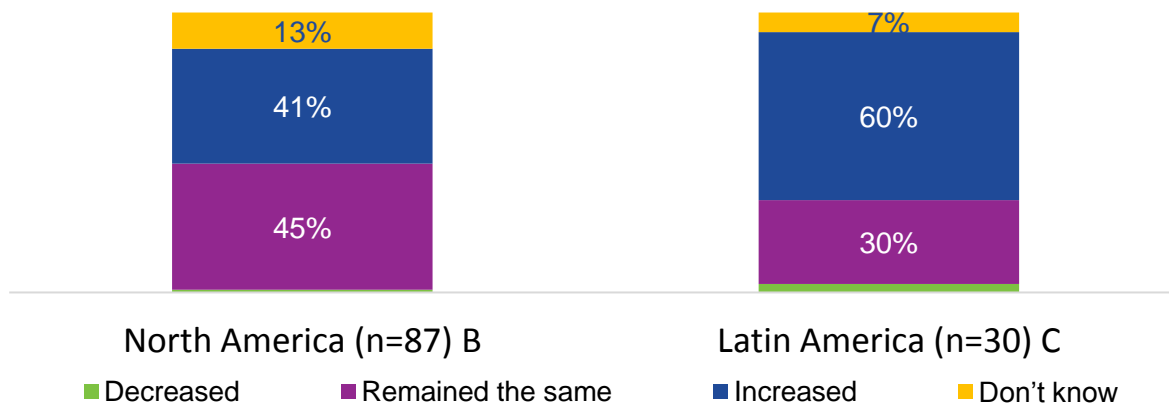
The Value of Collecting Traveler Feedback When Reviewing Travel Policy

How Much Influence Does Traveler Feedback Have on Travel Policy Adjustments?



Q. How much influence does traveler feedback have on adjustments made to your organization's travel policies? **Note:** Question only displayed to respondents who indicated, in response to a previous question, that their company collects traveler feedback when reviewing its travel policy.

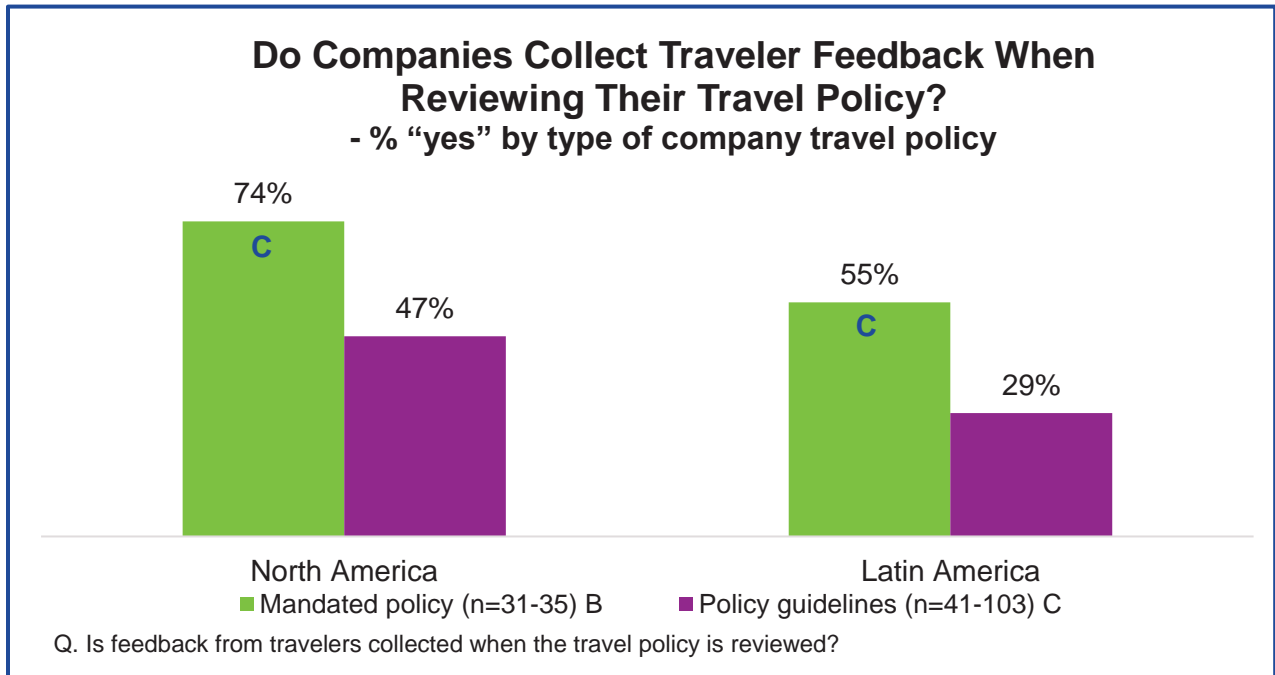
How Has Traveler Satisfaction Changed After Companies Changed Their Travel Policy Based on Traveler Feedback?



Q. Has traveler satisfaction increased, decreased or remained the same after feedback from travelers was used to adjust a travel policy? **Note:** Question only displayed to respondents who indicated, in response to a previous question, that their company collects traveler feedback when reviewing its travel policy and that this feedback has at least “low” influence on the adjustments it makes to its travel policy.



In both regions, companies are more likely to collect traveler feedback when they have a mandated travel policy in place, as opposed to policy guidelines. This is hardly surprising; when companies have a strict travel policy, they have a greater imperative to make sure it meets the needs of their travelers.



How much support do travel programs receive when implementing well-being policies?

Travel Managers are not on their own when implementing policies to improve traveler well-being. They commonly have strong support from senior leadership and other departments at their organization (see next page). In both regions, roughly half of Travel Managers say they have the “full support” of senior leadership when implementing such policies. A decent share have “some support,” while fewer than 15% have “little support” or “no support at all.”



When Implementing Policies Focused on Traveler Well-being, How Much Support Do Travel Managers Receive from...? Senior Leadership



North America (n=173) B

Latin America (n=85) C

Other Departments at Organization



North America (n=173) B

Latin America (n=85) C

■ No support at all ■ Little support ■ Some support ■ Full support ■ We don't implement policies with traveler well-being in mind

Q. What level of support, overall, do you have from your organization's Senior Leadership for the implementation of policies that have the traveler well-being in mind?

Q. What level of support, overall, do you have from other departments in your organization for the implementation of policies that have the traveler well-being in mind?



Measuring Traveler Satisfaction

Do companies measure traveler satisfaction?

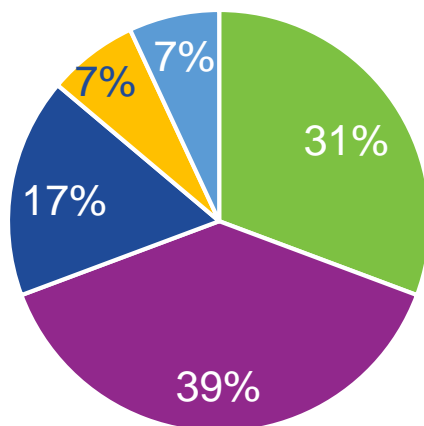
Business traveler well-being efforts can take a variety of forms. They can focus on process efficiency, comfort, choice, and service. As a result, even though travel programs are widely committed to improving the traveler experience, they may not know where to focus. Should they make it easier to book a trip or submit an expense report? Should they allow travelers to fly business class? Should they balance traveler preference with cost savings when selecting their preferred vendors? Should they change how they communicate with their travelers? Should they provide additional resources when travelers feel unsafe or overstressed?

Traveler feedback can help companies answer these questions. In both North America and Latin America, a majority of travel programs measure traveler satisfaction, usually on an annual or quarterly basis (see below). However, one-quarter to one-third do not measure traveler satisfaction, which can hamper traveler well-being efforts.

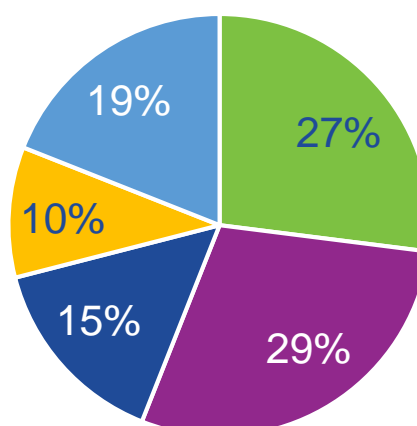
Small travel programs are least likely to measure traveler satisfaction. In North America, 54% of low travel spend companies (less than \$10 million per year) *do not* measure traveler satisfaction, compared to 18% of high spend companies (at least \$10 million per year). In Latin America, the difference is much less stark (33% vs. 22%), and not statistically significant.

How Often Do Companies Measure Traveler Satisfaction?

North America (n=193)



Latin America (n=93)



- We don't measure traveler satisfaction
- Yearly
- Quarterly
- Monthly
- After every trip

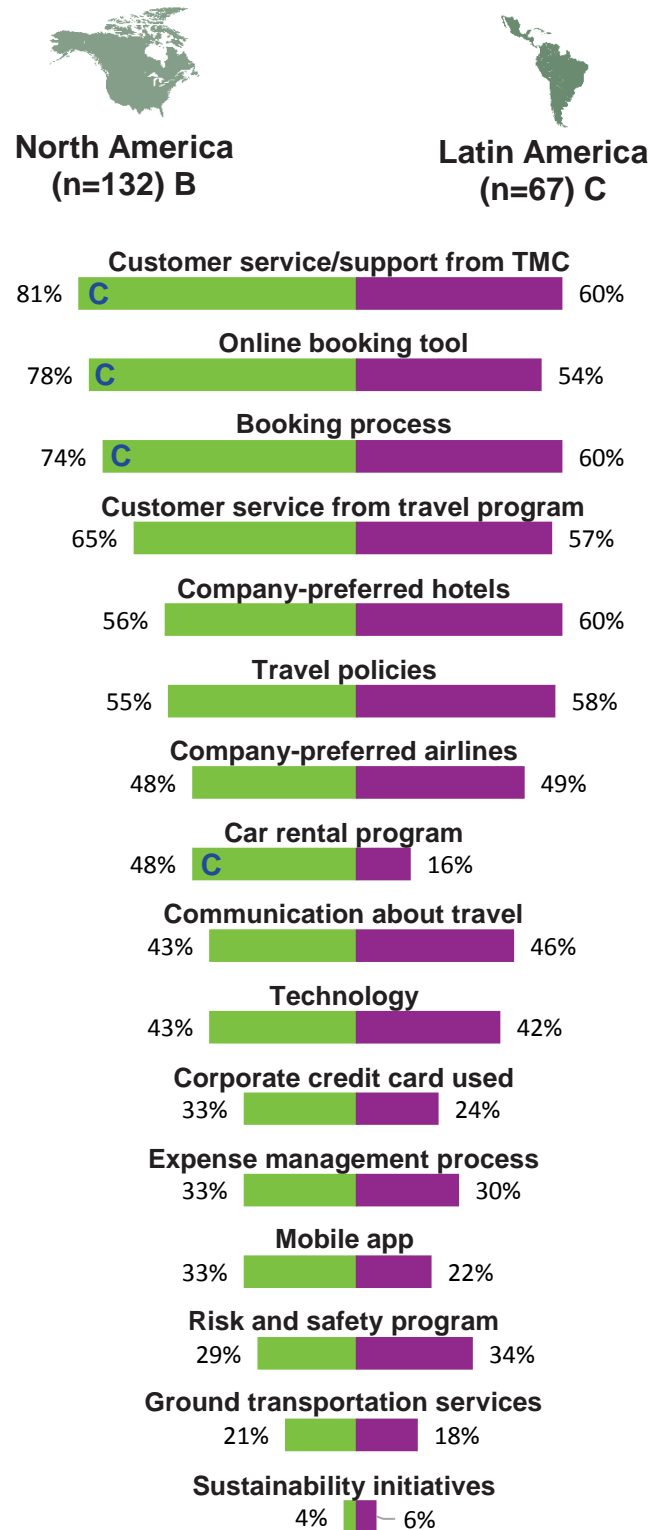
Q. How often do you measure traveler satisfaction?



When measuring traveler satisfaction, companies focus on a variety of areas. In North America, the most common are *customer service/support from TMCs* (81%), the *online booking tool* (78%), and the *booking process* (74%). In Latin America, the most common are *customer service/support from TMCs* (60%), the *booking process* (60%), and *company-preferred hotels* (60%).

Travel programs can make a greater effort to measure satisfaction with their internal policies and processes. While these are not among the most commonly measured areas, they are the areas that companies can most easily adjust based on feedback. These include *travel policies*, *communication about travel*, the *expense management process*, and the *risk and safety program*—all currently measured by fewer than three out of five travel programs. Other areas—such as technology, TMC service, and preferred suppliers—may be more difficult to address without incurring extra cost.

When Measuring Traveler Satisfaction, Which Areas Do Travel Programs Include?



Q. Which of the following areas do you include when measuring traveler satisfaction? **Note:** Question only displayed to respondents who say their travel program measures traveler satisfaction at least yearly.

Perceptions of traveler satisfaction

Most business travelers are satisfied with their company's overall travel program, according to a majority of Travel Managers who say their company measures satisfaction. However, there is some room for improvement. Fewer than 10% in each region say that a majority of their travelers are "very satisfied" with their travel program.



Business travelers are more satisfied with their travel programs today, compared to 2 or 3 years ago, according to a majority of Travel Managers surveyed.

Yet it is unclear *why* satisfaction has improved. Is it because travel programs are more committed to traveler well-being? Or is it because of factors outside of their control— such as improved TMC service or better travel technology?

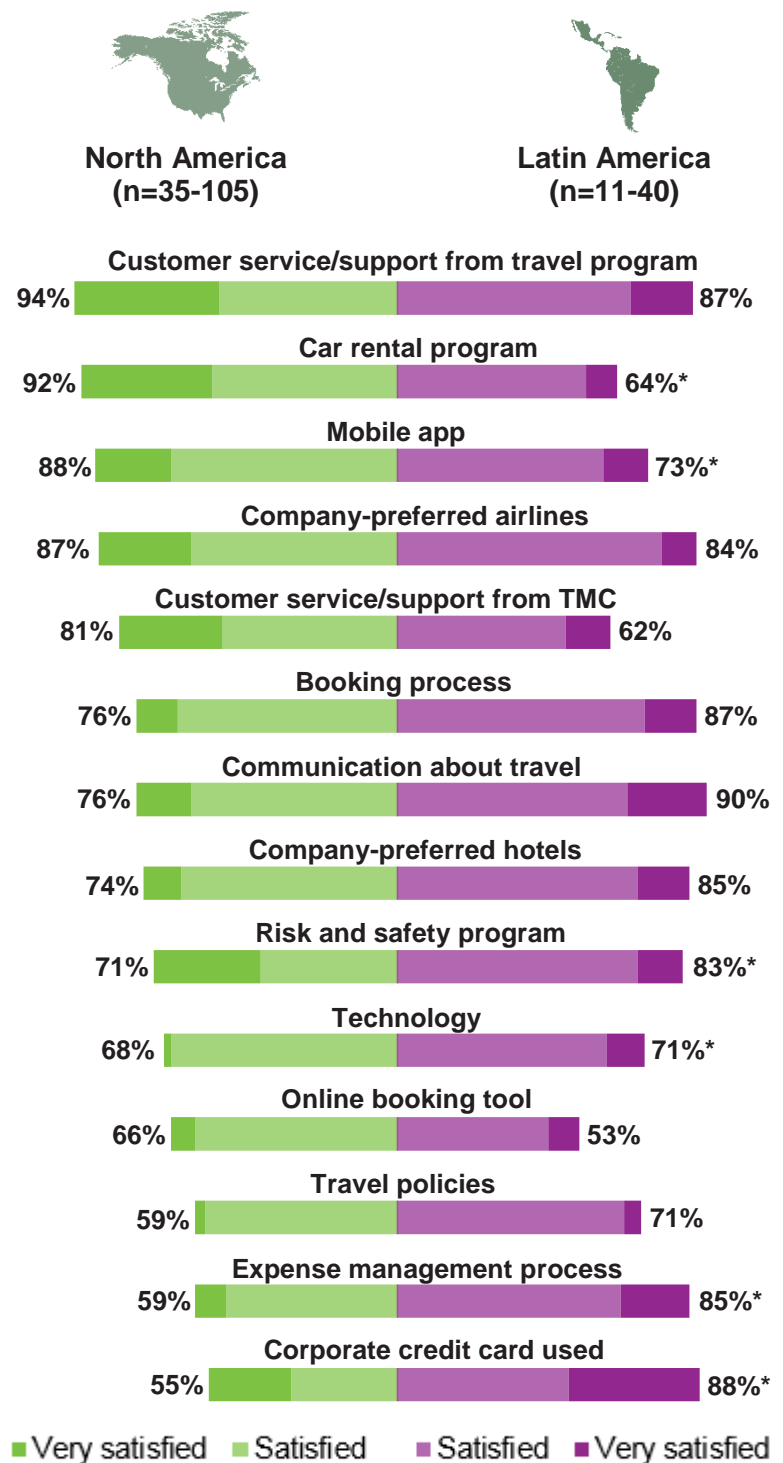


When Travel Managers said they measure satisfaction with specific areas of their travel program, they were asked if their travelers were satisfied with these areas. For only six out of 14 areas do more than 75% of Travel Managers in North America say their travelers are “satisfied” or “very satisfied.” Yet this does not mean their travelers are *dissatisfied*. A good share are “neither satisfied nor dissatisfied,” according to Travel Managers.

Latin America fares slightly better than North America. Out of nine areas with sufficient sample size, six have satisfaction ratings of at least 75% in Latin America.

Key strengths include *customer service/support from travel program* and *company-preferred airlines*. Key weaknesses include *risk and safety programs* and *technology*. In addition, even though a decent share of travelers are satisfied with the *booking process*, fewer are satisfied with their company’s *online booking tool*. While *customer service/support from TMCs* is a strength in North America, it is a weakness in Latin America.

Are Your Company’s Travelers Satisfied With...?



Q. Now, thinking about specific areas of the travel program, and based on feedback you receive from your travelers, how satisfied are they with the following? **Note: * indicates sample size less than 30; these results cannot be generalized to Latin America's Travel Manager Population. Each option only displayed to respondents who indicated in response to a previous question that their company measures traveler satisfaction with the specified option.**

Amenities, Upgrades, and Services

In both regions, companies occasionally offer, or allow travelers to purchase, amenities, services, or upgrades that can improve the travel experience. The most common is *24/7 support to travelers*, which companies almost universally offer in North America (91%), but offer less frequently in Latin America.

Notably, 56% of travel programs in North America, and 43% in Latin America, *allow travelers to book business class when travel is longer than a specified number of hours*. Similarly, three out of five (59%) travel programs in North America, and one-third (33%) in Latin America, *allow travelers to book direct flights, even when they cost more, for convenience*. Fewer than half of travel programs *make it a priority to find preferred hotels that have fitness facilities or access to one*.

What Do Travel Programs Offer to Improve Traveler Well-being?



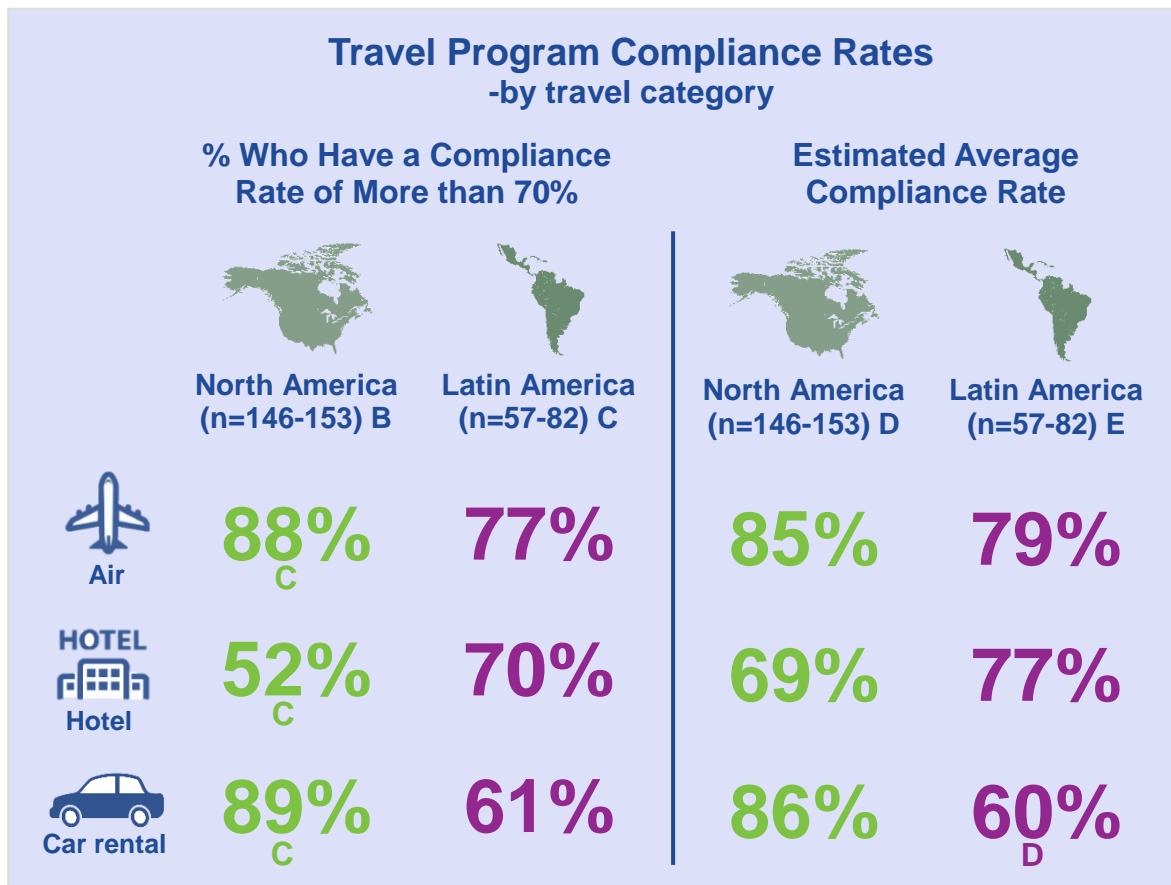
Balancing Traveler Satisfaction with Compliance

Even though traveler satisfaction represents a growing priority for travel programs, it is hardly the only priority. This section explores how well-being/satisfaction efforts can impact travel policy compliance. Does focusing on the traveler experience mean companies must compromise other priorities? Or can these efforts work in synchrony with other priorities—and perhaps even make these priorities easier to achieve?

The current state of program compliance

Travel Managers report high compliance with air bookings, and moderate compliance with hotel bookings. Almost nine out of 10 (88%) travel programs in North America have a compliance rate of at least 70% when it comes to air bookings. In Latin America, air compliance is slightly lower, but still strong.

When it comes to hotel bookings, 52% of North America-based Travel Managers, and 70% of Latin America-based Travel Managers, report compliance of at least 70%.



Travel Managers identify a variety of reasons why their travelers book out of policy. In North America, the most common is that they think *they can get better rates/deals*.

While this reason does not reflect dissatisfaction with their travel program, other reasons may. These include *having a preference for a particular non-preferred hotel brand/type, wanting greater convenience, wanting greater amenities*, and feeling their company's *in-policy booking channels are not user-friendly*. However, all four of these reasons are mentioned by half of Travel Managers or fewer in each region, and three of the four are mentioned by one-quarter or fewer.

Even though non-compliant bookings remain a problem, fewer than 20% of travel programs in each region experience *more* non-compliant bookings today than they did 2-3 years ago, while a much larger share experience *fewer* non-compliant bookings.

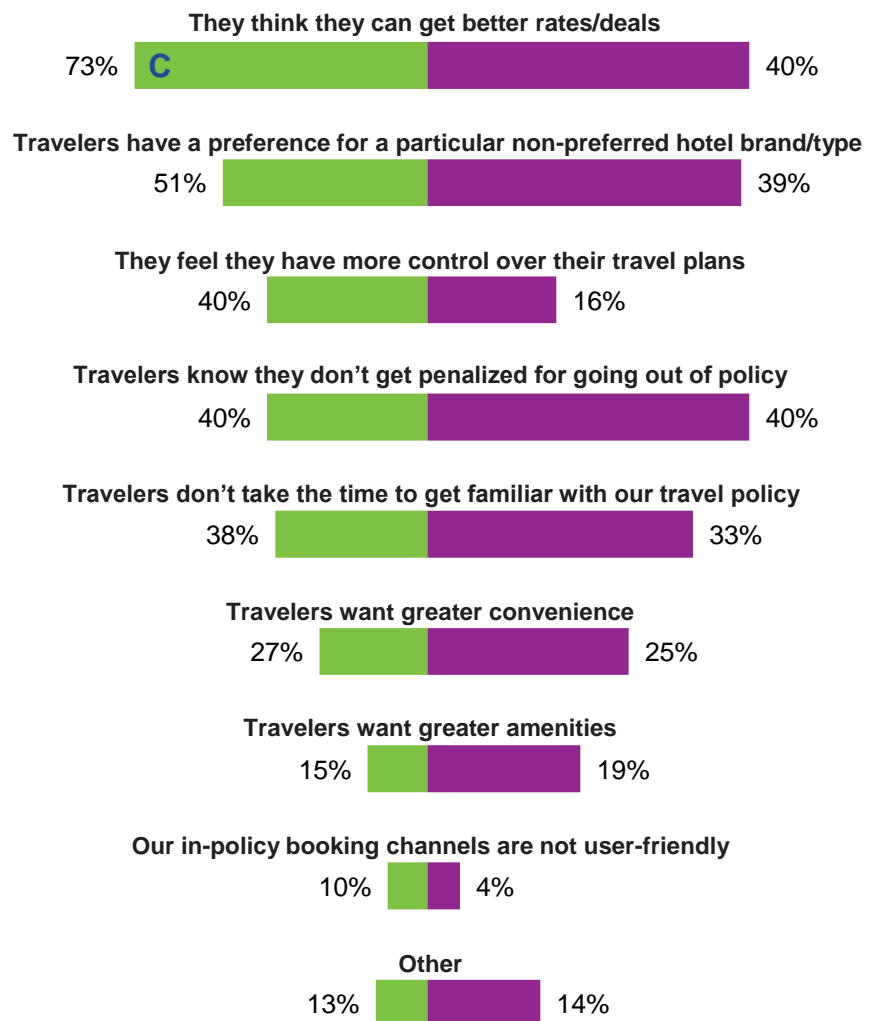
Why Do Travel Managers Believe Their Travelers Book Out of Policy?



North America
(n=158) B

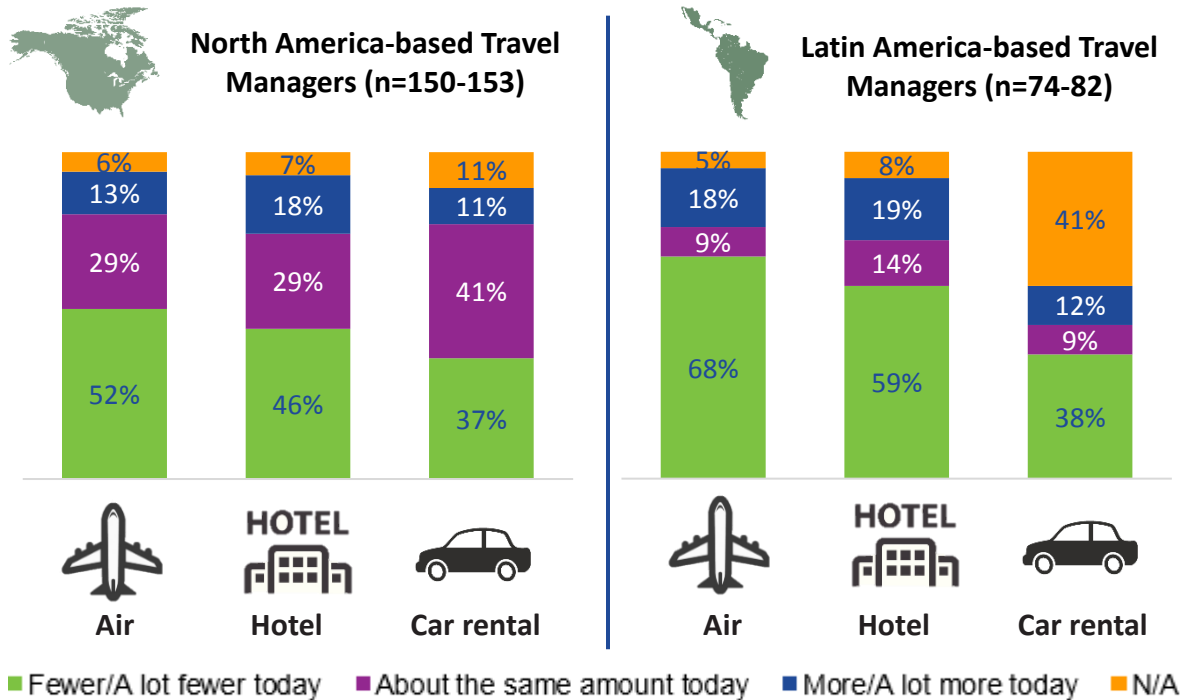


Latin America
(n=80) C



Q. What do you think are some of the primary reasons why your travelers book out of policy? Please select all that apply. Note: Question only displayed to respondents who indicate they have either a mandated travel policy or policy guidelines at their company.

Compared With 2-3 Years Ago, How Many Non-Compliant Bookings Does Your Travel Program Experience Today...?



Q. Compared with 2-3 years ago, how many non-compliant bookings does your travel program experience today in each of the following areas? **Note:** Question only displayed to respondents who indicated having a mandated travel policy or policy guidelines at their company.

There are several reasons why the drop in non-compliant bookings may come as a surprise. One reason is the rise of the Millennial business traveler, who may be accustomed to a laissez-faire work culture that does not have many rules. Second, many travel companies have begun offering extra perks to travelers who book with them directly. Third, while most airline and hotel apps have full mobile booking capabilities, many managed travel apps do not. Yet these trends seem unlikely to fundamentally change managed travel anytime soon, considering that non-compliant bookings have actually declined in recent years, according to Travel Managers surveyed.

Program compliance and traveler satisfaction

Companies must balance traveler well-being and satisfaction with other priorities. A key research objective was to discover how these efforts can affect program compliance. Does focusing on well-being or satisfaction make it easier or harder to achieve compliance?

To facilitate comparison, travel programs were divided into groups based on their compliance. When it comes to air bookings, they were divided between (1) those with 90% or less compliance and (2) those with greater than 90% compliance. When it comes to hotel bookings, they were divided between (1) those with 70% or less compliance and (2) those with more than 70% compliance.

When comparing these groups, high compliance travel programs in North America report slightly higher traveler satisfaction compared to low compliance programs. However, this result is not statistically significant, and does not prove that satisfaction *drives compliance*. The relationship may reflect random chance, or the correlation of both variables with a third, unrelated variable. At the very least, however, this suggests it is possible to achieve both high compliance and high satisfaction at the same time.

Traveler Satisfaction by compliance rate

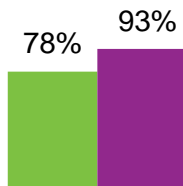


Air

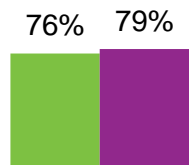


Hotel

% of Travel Managers who say a majority of their company's travelers are "satisfied" or "very satisfied" with their overall travel program

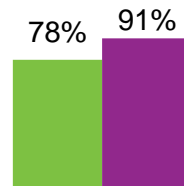


North America

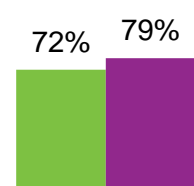


Latin America

■ 90% or less compliance rate (n=38-65) B
■ More than 90% compliance rate (24-38)* C



North America



Latin America

■ 70% or less compliance rate (n=60-103) D
■ More than 70% compliance rate (19-43)* E

*indicates small sample size (n<30) for Latin America-based travel programs that have greater than 90% compliance for flights or greater than 70% compliance for hotels. Readers should use caution when interpreting these results.

Companies commonly measure traveler satisfaction, regardless of their compliance rates. High compliance programs are as likely, or more likely, to collect feedback from travelers when reviewing their travel policy. While the implications of these findings are not entirely clear, they suggest that companies can improve traveler well-being or satisfaction while maintaining high compliance.



Do Companies Measure Traveler Satisfaction? by compliance rate

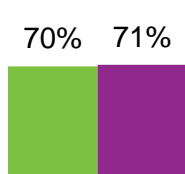


Air

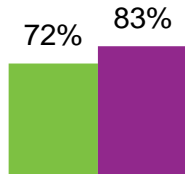


Hotel

% of Travel Managers who measure traveler satisfaction at least annually

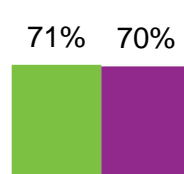


North America

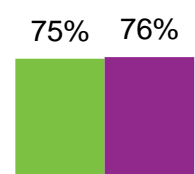


Latin America

■ 90% or less compliance rate (n=53-94) B
■ More than 90% compliance rate (29-59)* C



North America



Latin America

■ 70% or less compliance rate (n=24-70)* D
■ More than 70% compliance rate (55-76) E

*indicates small sample size (n<30) for Latin America-based travel programs that have greater than 90% compliance for flights or 70% or less compliance for hotels. Readers should use caution when interpreting these results.

Note: Question only displayed to respondents who indicate their company measures traveler satisfaction.

Do companies collect feedback from travelers when reviewing their travel policy? by compliance rate

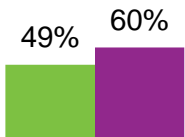


Air

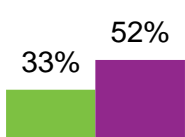


Hotel

% of Travel Managers who say feedback is collected
when the travel policy is reviewed

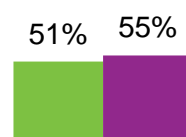


North America

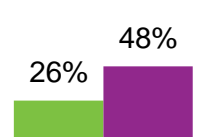


Latin America

■ 90% or less compliance rate (n=45-83) B
■ More than 90% compliance rate (27-52)* C



North America



Latin America

■ 70% or less compliance rate (n=19-65)* D
■ More than 70% compliance rate (50-64) E

*indicates small sample size (n<30) for Latin America-based travel programs that have greater than 90% compliance for flights or 70% or less compliance for hotels. Readers should use caution when interpreting these results.

Note: Question only displayed to respondents who indicate their company measures traveler satisfaction.

Conclusion

To improve traveler well-being/satisfaction, companies have taken a variety of measures. These include:

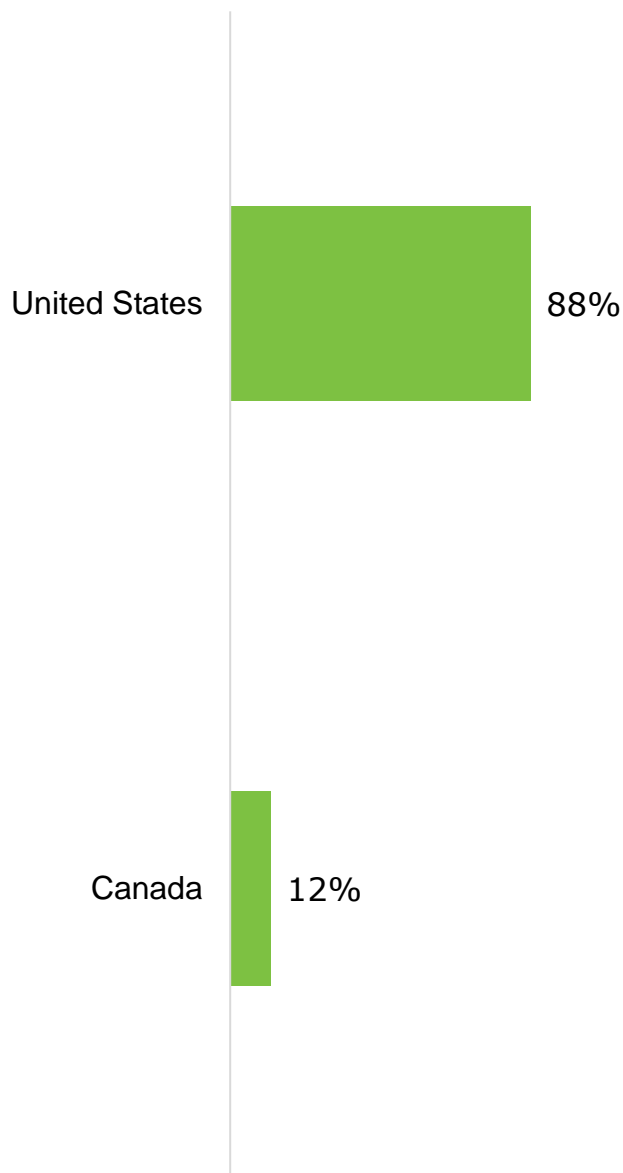
1. **Using well-being/satisfaction to inform travel policies.** While a majority of Travel Managers indicate that traveler well-being is an important consideration when developing their company's travel policy, half or fewer collect feedback from travelers when reviewing their policy. **Travel programs should make a greater effort to collect feedback.** When they do collect it, a large majority indicate it has an influence on the adjustments they make to their policy, and satisfaction improves as a result.
2. **Allowing travelers to purchase upgrades in certain circumstances.** Travel programs are split when allowing travelers to purchase certain upgrades such as direct flights and business class tickets. Companies should gauge the importance of such upgrades to their travelers, and determine if the benefits outweigh the higher cost.
3. **Measuring traveler satisfaction.** A large majority of companies measure traveler satisfaction in some form. Yet a good share do not measure satisfaction when it comes to key elements of their program such as their travel policies and communication efforts. **Travel programs should make an effort to track satisfaction with these elements, focusing especially on internal policies and processes that they can easily change.**

Travel programs must balance well-being and satisfaction with their other priorities. It is not clear, however, that they face a significant trade-off. High compliance travel programs have similar—if not higher—traveler satisfaction compared to lower compliance programs, according to Travel Managers surveyed. This suggests that traveler well-being/satisfaction efforts may not undermine compliance – and in fact may even improve it.

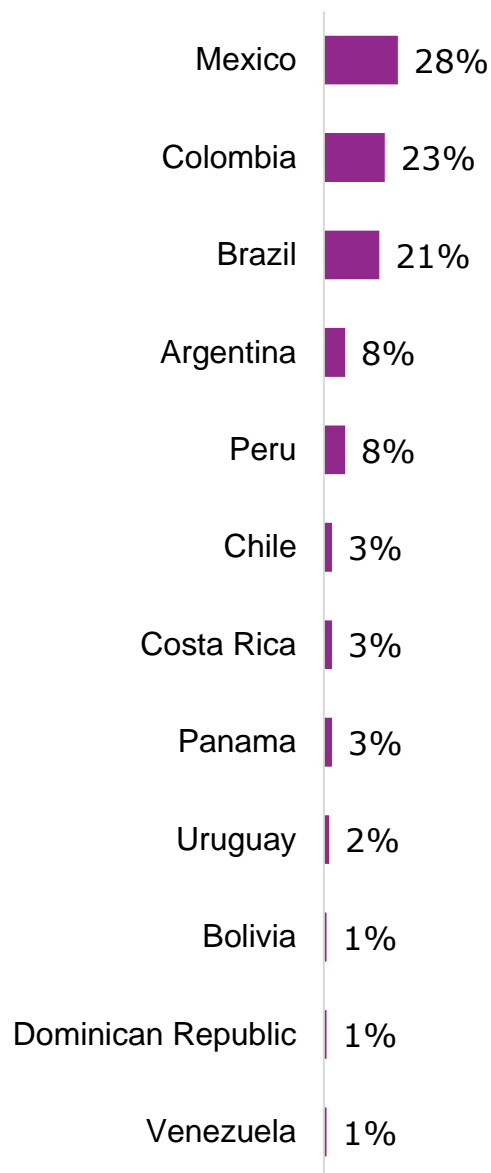




Respondent Profile

Base Country North America (n=221)



Base Country Latin America (n=116)



Travel Manager Profile (Cont.)		
	North America	Latin America
Position	(n=221)	(n=112)
Travel manager/buyer	92%	95%
Procurement officer	8%	5%
Number of years in travel buying role	(n=220)	(n=112)
Less than 5	31%	45%
5 to less than 10	23%	26%
10 or more	46%	29%
Estimated average	10 years	8 years
Company's reach	(n=217)	(n=109)
National	21%	14%
Multi-national	28%	40%
Global	51%	46%
Company's annual travel spending	(n=214)	(n=108)
Less than \$10 million	35%	56%
\$10 million to less than \$30 million	30%	17%
\$30 million or more	33%	19%
Not sure	3%	9%
Estimated average	\$60 million	\$60 million
Company's travel policy	(n=178)	(n=99)
Mandates	25%	41%
Guidelines	74%	56%
No written policy	2%	3%

Works Cited

West, Elizabeth. "The Traveler Happiness Index." *Business Travel News*, 26 Apr. 2016,
<http://www.businesstravelnews.com/Research/Traveler-Happiness-2016/The-Traveler-Happiness-Index>



About the GBTA Foundation



The GBTA Foundation is the education and research arm of the Global Business Travel Association (GBTA), the world's premier business travel and corporate meetings organization. Collectively, GBTA's 9,000-plus members manage over \$345 billion of global business travel and meetings expenditures annually. GBTA provides its network of 21,000 business and government travel and meetings managers, as well as travel service providers, with networking events, news, education & professional development, research, and advocacy. The foundation was established in 1997 to support GBTA's members and the industry as a whole. As the leading education and research foundation in the business travel industry, the GBTA Foundation seeks to fund initiatives to advance the business travel profession. The GBTA Foundation is a 501(c)(3) non-profit organization. For more information, see gbta.org and gbta.org/foundation.

CONNECT WITH US



blog.gbta.org



facebook.com/GBTAAonFB



linkedin.com/company/gbta



gbta.org/twitter

About the Carlson Family Foundation



CARLSON FAMILY FOUNDATION

This report is made possible by the Carlson Family Foundation. Established in 1950, by its founder, Curtis L. Carlson, the Carlson Family Foundation represents the commitment of the Carlson family to give charitably to humanitarian and community affairs. Through investments in education, mentoring, children and youth at risk, youth mentoring, anti-trafficking initiatives, and workforce development programs, the Carlson Family Foundation actively participates in creating strong and healthy communities, and a competitive workforce.

