

# Corporate Travel Sustainability Index

THE BEST RUN



SAP Concur



# 2020

## 04-06

Turning passion  
into action

## 12-14

Time to rethink your  
corporate travel policy

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The real returns on  
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# CHARTING A COURSE TO Sustainable Travel

Companies want to see sustainability in business travel, but future approaches must consider the impact on People, Planet, and Profit.

“The most efficient and effective method of conveying information to and within the development team is face-to-face conversation.”  
(*The Agile Manifesto*).

As a society, we have become ever-more aware of our impact on the planet, both as consumers and companies. From policymakers to eco-celebrities, influencers urge us to make the link between global climate risk, our personal lifestyle, and corporate responsibility.

There is effectively an agenda for change and the activism to go with it. It demands we make informed choices at home and educated decisions at work, in support of sustainability.

Therefore, as a key component of how we do business today, corporate travel is coming under intensifying scrutiny on sustainability grounds. Demands for transparency around activities – and accountability for impacts – mean management needs 360-degree visibility over operations.

Furthermore, the post-Coronavirus (COVID-19) impetus will only serve to accelerate this trend. Consumers will increasingly demand more sustainable solutions, having briefly witnessed the environmental benefits of less polluting activity.

As a consequence, organisations face growing demands to align their corporate travel programmes and company values with sustainability principles. However, the results of our *Corporate Travel Sustainability Index 2020* show that while most companies are aware of this trend and the need to make adjustments, not all of them have a plan of action, or even know what to do.

## DIGITAL MEETS ANALOGUE, SUSTAINABLY

In one sense, the sustainability of corporate travel is plain to see.

Doubts have been raised for years over the sustainability of business travel demand and the need for in-person meetings, especially with the rise of digital and the popularity of platforms like Zoom

and Slack. Real face time was said to be over.

But at least until recently, the opposite has proved true. Volume numbers for corporate travel have scaled new peaks, year after year. Business still loves to travel.

The reason, of course, is human connection – we are social beings. Business travel is not an end in itself – it promotes personal encounters and exchanges between people, where we build trust through nonverbal communication and informal dialogue. Even those doyens of digital behind the *Agile Manifesto* understand the value of meeting face-to-face.

We live in both a digital age and an analogue world. Going forward, it is not a case of choosing one or the other, but both. Arguably, we need analogue more today, not in spite of digital, but because of it. The big question is how we do both, truly sustainably.

## PEOPLE, PLANET, AND PROFIT

Sustainability is bigger than any one organisation. We at SAP Concur solutions, like you, cannot hope to have all the answers. What we do have, however, is a willingness to listen and learn, collect findings and feedback, and share actionable insights widely and freely.

Our research, therefore, benchmarks corporate travel performance against sustainability criteria by bringing together findings from business decision-makers and feedback from business travellers. Importantly, for the fullest picture, we have looked at sustainability through the three lenses of triple-bottom-line accounting: People, Planet, and Profit.

While we realise, of course, that our impact on the environment is a hot topic, we also recognise that economic viability underpins any business case for change. In addition, we are committed to integrating the third factor for sustainable success: our impact on society.

This is sustainability in the round, and this is the index for the future of corporate travel.

# Turning Passion Into Action

While the business travel community is keen to embrace sustainability, a range of practical issues must first be addressed.

At the beginning of 2020, the climate emergency looked set to dominate the news, with businesses in every industry under public and political pressure to account for their environmental impacts. Although the coronavirus (COVID-19) has swamped all other concerns – at least temporarily – the sustainability question remains to be answered. How well is corporate travel really placed to respond?

The short answer is that sustainability is on the rise and in demand among users and professionals alike in the business travel community. According to the research that provides the foundation for the *Corporate Travel Sustainability Index 2020*, nearly two thirds of corporate travel decision-makers either confidently claim that their approach is completely sustainable (9%) or that sustainability is at least an integral part of their corporate travel policies (56%).

However, the underlying trends and drivers are much less well developed and defined than such a simplistic summary might suggest. What the

research really reveals is that there are many areas of complexity and inconsistency lurking just beneath the surface. This explains some of the mixed messaging coming out of the corporate travel sector – there is a lack of coherence.

## IMPLEMENTING AMBITIONS

Examining the top-line numbers proves illuminating, uncovering a lack of operational confidence in turning desirables into deliverables. For instance, while almost one in three corporate travel decision-makers (31%) identify as being passionate about having a positive impact, these same advocates also admit to finding their aspirations difficult to put into practice.

In addition, more than a quarter of corporate travel decision-makers (28%) describe themselves as being aware of the issues involved but fundamentally unsure how to go about effecting change.

These two groups together amount to approximately six out of ten professionals (59%) openly acknowledging that they do not feel suitably equipped and enabled to implement sustainable travel policy successfully. This is where the real-world implementation story starts to emerge.

But the temperature is rising, in every sense. Even the late-adopter cohort of corporate travel decision-makers who still do not consider sustainability an integral part of their approach at present (24%) have plans to put more sustainable policies in place within a year.

Similarly, when it comes to the end users themselves – business travellers – the picture is complicated, but the pervading sense of inevitability remains. Although 39% admit the sustainability of corporate travel has never even occurred to them, 67% still expect to fly much less in 10 years' time because of environmental concerns.

## CHANGING CLIMATE

Change was in the air even before COVID-19, says Ed Gillespie, author of *Only Planet: A Flight-Free Adventure Around the World*, a first-hand account of sustainable circumnavigation.



# 65%

of corporate travel decision-makers claim their travel policies are either 'completely sustainable' or that 'sustainability is an integral part of our travel policy'

# 59%

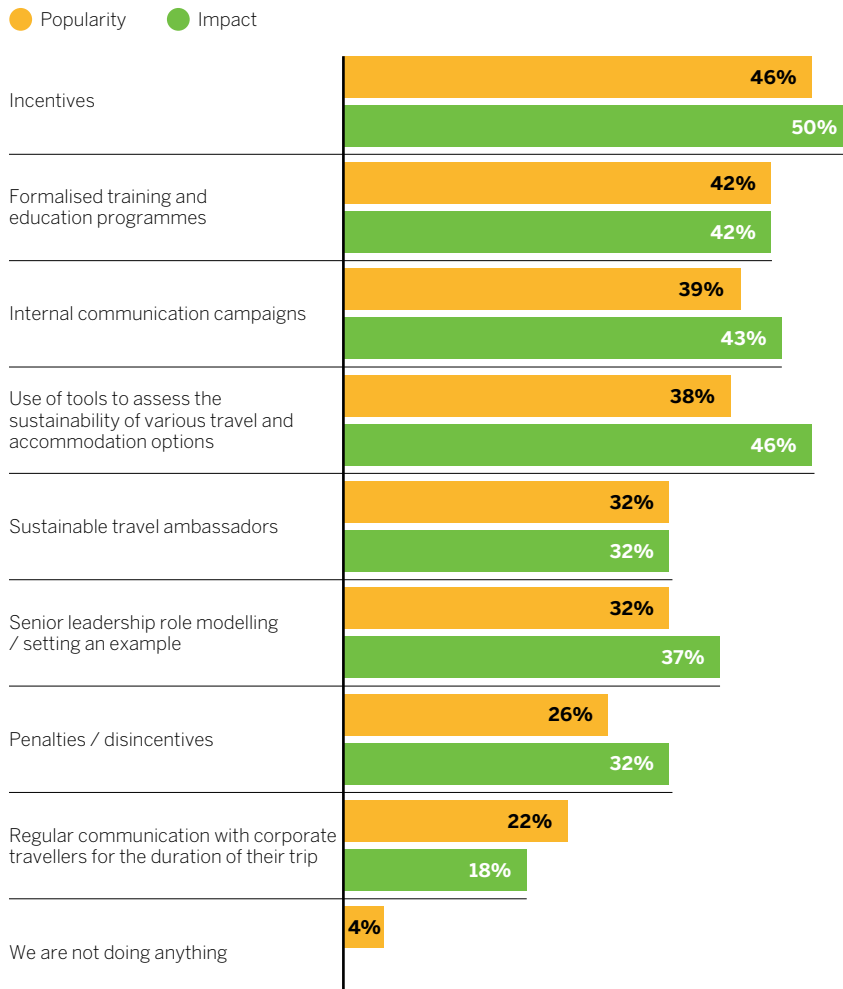
feel passionately about sustainable corporate travel, but still find it difficult / are unsure how to put it into practice

# 24%

do not consider sustainability to be an integral part of their travel policy now, but have plans to implement sustainable policies within the year

**Incentives are the most impactful awareness activity for changing organisational behaviours**

Most popular and impactful awareness activities used by corporate travel decision-makers to change corporate travel behaviours internally



“We were already seeing a lot of disruption in both business and personal travel. The steep rise of climate awareness after the Australian fires, the notion of #flygskam, Greta Thunberg, and Extinction Rebellion all contributed to some radical rethinking. It was clear a reassessment of ‘essential travel’ was under way, with good reason, and that applied to both work and leisure.”

At a practical and logistical level, the coronavirus recalibrated matters, certainly for the short-term. It sparked a blanket review of the need to meet face-to-face, or the value of attending in person. Widespread upskilling in the use of video links and virtual conferencing technology has created new patterns of business behaviour. These digital alternatives to analogue encounters may have been widely adopted under lockdown-driven duress, but their legacy will endure and likely expand.

However, the ramifications of COVID-19 will not be restricted to updated priorities in office routines and meeting preferences. There is a bigger cultural impact to come in the form of enhanced environmental consciousness and a sharper focus on carbon footprints, suggests Mike Koetting, Chief Product Strategy Officer for SAP Concur.

“Sights such as the canals of Venice running clear, with shoals of fish clearly visible for the first time in ages, have obviously prompted discussions about the disruptive and tangible effects of the coronavirus crisis in curbing negative human impacts on the natural environment,” Koetting says. While much of this attention will focus on high-risk concerns like polluting emissions from industrial and manufacturing facilities, he believes it is likely that “the overall increase in scrutiny of CO2 production and climate change impacts will inevitably translate into greater visibility around commercial activities in general, including those associated with business travel”.

**VALUE PROPOSITIONS**

Levels of climate awareness and action were already improving, albeit at a slower pace. However, two fast-emerging factors look set to make sustainability



Millennials and Gen Z are promoting a shared sense of ‘village responsibility’

an increasingly hot topic for business travel in the future, suggests Ralph Colunga, Thought Leader, Travel and Expense Technology Solutions at SAP Concur. First, there is a generational factor at play.

“Millennials and Gen Z are raising this issue widely across social media and promoting a shared sense of ‘village responsibility’. They are positively reminding us we all have a stake in a successful outcome for the planet. They are also not afraid to name and shame individuals and organisations failing to pull their weight and play their part,” he explains.

The second factor is linked to the increasingly activist attitudes of the younger generations, he says: Companies are looking to sustainability as a value proposition.

“Companies now know they will be held socially accountable for not behaving as good global citizens unless seen to be taking measurable and meaningful actions on sustainability matters. Reputational risk is a driver.”

Sustainability is clearly a passion project for many within the industry. However, this may be part of the problem. As with the climate change debate, there is now a growing need to adopt more science-based targets and build the business case for sustainable travel policy based more on actionable intelligence than good intentions alone. It is time for sustainability to get real.

Employee feedback suggests that they are ready to turn passion into action. Tellingly, the most popular and impactful activity available to corporate travel decision-makers looking to change behaviours was found not to be communication or even education, but incentives. Walking the talk on sustainability is the challenge for corporate travel policy in the years ahead.



BARRIERS VS FACILITATORS:

# Making Sustainability Happen

Sustainability is a work in progress for many reasons, practical and political. The path ahead will be challenging – and rewarding.

Change does not happen overnight. This is certainly true for the transformative potential of sustainability in the global, billion-dollar business of corporate travel.

There are reasons why sustainability is still a work in progress, some political, others practical. There are resource issues to resolve and commercial factors to consider, risks to manage and opportunities to understand. The agenda, however, is set: Sustainability is a must.

Decision-makers charged with implementing sustainable corporate travel programmes face a number of barriers and require a range of facilitators. Leadership is the top-ranked selection for both categories, according to our research, being viewed almost as much as a hindrance (15%) as it is a help (17%).

## GAINING INSIGHTS

This arguably tells the tale of where the sector is at present on its sustainability journey. Often, in the early days of transition, leadership is especially valuable in providing the inspiration, endorsement and direction to help power-up the engines of change. As momentum builds and markets mature, practical processes and procedures are put in place and operational teams take over. Corporate travel is clearly not yet at this stage.

Second on the list overall – though scoring just as strongly as lack of leadership buy-in on the barriers side – is the matter of personal knowledge and training on sustainability issues, with almost 59% of professionals admitting to having difficulty in achieving policy aspirations and being unsure how to progress.

The final area of activity where barriers are flagged more than facilitators is access to professional tools that provide visibility into travel's impact on the environment. For example, this could include calculating carbon emissions, or third-party data on hotels, airlines, or car rentals.

This shows that many respondents simply do not have sufficient insight into the impact of their

**49%**

of corporate travellers aged 18- 24 agree that *“the sustainability of my corporate travel has never occurred to me”*

corporate travel to properly assess the sustainability of their policies. The correlation is clear: The parties who are “exceptional” in their usage of data are over five times more likely to be proficient in sustainability than their “poor” to “seriously poor” counterparts.

#### INDUSTRY EXCEPTIONS

Although perceptions are largely consistent across sectors, there are one or two exceptions of note to the general rules on barriers and facilitators. While lack of budget is ranked a relatively minor barrier for most (9%), public-sector professionals rated it the second most important factor, scoring just as

highly as leadership buy-in (19%). This is probably more symptomatic of the effects of severe budget cuts imposed almost universally on local authorities, municipalities and government departments, than it is a reflection on the business of travel per se. Funds are in short supply pretty much everywhere.

A point of difference more cultural than practical emerged in respect of attitudes to sustainable corporate travel among professionals from the automotive sector, with almost half (49%) deeming it a lot of effort and an inconvenience. This is particularly interesting to note when we compare the automotive sector to other industries, as its members claim to be more proficient in sustainable corporate travel than any other sector surveyed.

Overall, while corporate travel decision-makers are primarily responsible for specifying and procuring the corporate travel services concerned – sustainable or otherwise – the end users experiencing the policy outputs first-hand are of course the travellers themselves. Almost half of the youngest user demographic (49%), those aged 18-24, admit that the sustainability of their corporate travel has never occurred to them. This is surprising given how sustainability conscious we know this age group to be in other aspects of their lives. It demonstrates that companies cannot leave employees to fly the sustainability flag alone, placing an increased importance on the level of corporate traveller engagement. Travel decision-makers must therefore ask how engaged their business travellers are as a whole in this debate and what could incentivise them to become more informed in their choices and influential in their demands?

#### INCENTIVES FOR CHANGE

At present, the most common change that travellers are implementing to reduce their environmental impact is taking the train instead of the plane when possible. This is closely followed by booking sustainable accommodation and opting for sustainable ground transportation. Given that more



There are reasons why sustainability is still a work in progress, some political, others practical

than two thirds of all business travellers (67%) expect to fly much less in 10 years' time because of environmental concerns, plus the fact that almost all of them (97%) are also prepared to invest extra journey time in pursuit of more sustainable options, the top trend is only set to accelerate.

What incentives might spur travellers to become even more active as facilitators of demand-led sustainable change? Financial incentives are unsurprisingly one of the most popular, appealing to almost half of all respondents (47%). However, celebrating and sharing the successes of your sustainable travel best practices scored equally well as a means of encouragement. Carbon offsetting initiatives even went one better (48%). Least effective as an incentive, as identified by both travel decision-makers and travellers, is additional holiday days.

Some potential good news for the provision of financial incentives is that almost all companies surveyed (98%) are prepared to allocate additional spend towards sustainability programmes over and above their current travel management budget. The question, perhaps, is whether they will consider cash incentives to be an acceptable form of investment.

Travellers' enthusiasm for the incorporation of carbon offsets into sustainable travel plans is commendable in principle, but needs to be policed in practice to ensure the credibility of programmes used, explains Ralph Colunga, Thought Leader, Travel and Expense Technology Solutions at SAP Concur. He notes that the goal or remedy is sometimes too complex or technical for employees to really understand, in terms of expectational and implementation requirements.

**Leadership can be the greatest help or hindrance to implementing a sustainable corporate travel programme**

Number one ranked barriers and facilitators to implementing a sustainable corporate travel programme by corporate travel decision-makers

Barriers		Facilitators
15%	Level of leadership prioritisation/ buy-in	17%
15%	Level of personal knowledge/ training on sustainability issues	15%
12%	Company mission	15%
10%	Level of traveller engagement	13%
9%	Level of data collection	10%
12%	Level of access to professional tools to provide visibility of travel's impact on the environment e.g. carbon emissions	10%
6%	Amount of time and resources	6%
6%	Level of access to third party data e.g. hotels, airlines, car rentals etc	5%
9%	Amount of budget	3%
1%	Personal business KPIs	4%
4%	Regulations	1%
1%	Level of communication with corporate travellers for the duration of their trip	1%

“As an example, in the case of carbon offsets, we must be able to confirm they have been authenticated by third-party certification programmes, such as Verified Carbon Standard, Gold Standard, and Green-e Climate Standard,” Colunga says. “Visibility regarding chosen providers helps confirm that the offset schemes are legitimate, and programmes exist to reliably account for an accurate reduction in emissions.”

**BUILDING PARTNERSHIPS**

A final point to consider on the barriers side is the thorny issue of vested interests and potential resistance to change among supply-chain partners reluctant to move on from the commercially rewarding working practices of business-as-usual. It is worth remembering that Profit sits alongside People and Planet in the triple-bottom-line accounting paradigm. It is not just unreasonable to expect suppliers to sacrifice revenue potential or assume any significant business risk for the sake of their client's policy aspirations: It is also unsustainable.

Effective partnering around implementation roll-out therefore means consulting collaboratively with the supply chain to mutual benefit. This ensures all parties share in the rewards accruing from more sustainable practices, notes Mike Koetting, Chief Product Strategy Officer for SAP Concur. For any organisation to successfully implement a policy to advance or achieve strategic carbon ambitions, it is commercially critical “that they think through the economics such that their partners, particularly on the travel side, are compensated to reflect those goals”, he says.

In short, corporate sustainability needs to become a win-win scenario for all concerned, not just the agenda-setting client. From rush-hour travellers to hard-pressed suppliers, engaging all stakeholders in breaking down barriers, incentivising support and facilitating shared success is the action-plan pathway to implementation. Without such collective buy-in, corporate policy amounts to little more than good intentions.





# Leading the way to Sustainability

Leadership is crucial to building – or hindering – a sustainable corporate travel policy. Communication plays a key role.

Are business leaders leading by example when it comes to implementing a sustainable corporate travel policy? Yes and no. Our research findings show that, when it comes to barriers and facilitators to implementation, leadership is ranked number one for both, simultaneously the hero and the villain of the sustainability piece.

There is evidence of a significant disconnect between the C-Suite or senior travel management professionals and their colleagues in more operational roles, such as finance, procurement, or travel management. For some, the distance between the vision and the reality of policy and practice appears little more than a gap. To others, it is starting to look like a gulf.

## DIFFERING PERSPECTIVES

From a big-picture perspective, our findings show that a member of the C-Suite or a senior business decision-maker is more likely to rate the impact of their business on People, Planet, and Profit as either “completely sustainable” or “sustainable” than those in more operational roles.

A chief financial officer (CFO) is over twice as likely to rate as “exceptional” their organisation’s use of data and information to monitor and track sustainability (with a 33% response rating) than either their finance manager (15%) or procurement manager (16%).

At the other end of the satisfaction scale, a procurement manager is nearly three times more likely (at 23%) to rate data and information use as “poor or seriously poor” than the CFO (8%).

Such discrepancies are not confined to responses from up and down the ladder in finance and procurement. Travel management is littered with mixed messages, too. Travel managers have consistently lower estimations of company sustainability credentials than travel directors, for example. When rating for “people – impact on society and populations”, travel managers scored company performance little better than halfway decent (58%), whereas counterparts at director

level were significantly more positive (77%), with heads of travel splitting the difference (65%).

A spread of responses is perhaps to be expected, with employees working at the operational sharp-end more exposed to issues around implementation and deliverability. More troubling in certain cases, however, is the extent of the disconnect, with the gap sometimes turning into a gulf. Responsibility for bridging that divide lies primarily with the C-Suite and agenda-setting seniors, contends Mike Koetting, Chief Product Strategy Officer for SAP Concur.

“Organisationally, within companies, change will be top-down. Culturally, there might be an element of generational shift, especially where innovation is technology-led, or maybe a degree of bubble-up and groundswell, but ultimately, the temperature is set at the top,” he says.

The words and actions of senior management and the quantifiable goals they set are almost always the most effective ways to pursue strategic objectives like sustainable travel policies, Koetting adds.

“In most organisations, it would be unusual for any one travel manager, acting independently, to be able to influence corporate targets around climate goals and carbon footprints.”



CO<sup>2</sup>-neutral flying is currently too expensive, but with energy regulations in 2021, there will be a cost-saving benefit to cutting CO<sup>2</sup>



### MAKING CHANGE HAPPEN

Even if leaders buy into the idea, forming a business case for a more sustainable corporate travel approach can still present a challenge for some organisations, explains Erik Rimmasch, Group Manager Administration at TecAlliance, a digital innovator in the automotive aftermarket. “CO<sup>2</sup>-neutral flying is currently too expensive, but with energy regulations in 2021, there will be a cost-saving benefit to cutting CO<sup>2</sup>.”

Staff members looking to initiate change are advised to partner with others, not try to go it alone, adds Ralph Colunga, Thought Leader, Travel and Expense Technology Solutions at SAP Concur.

“You are much stronger working collaboratively with other organisations in a company to recommend corrective actions to senior management,” he explains. “Alignment with finance, security and HR teams is an important step, as making links to traditional metrics and compliance issues – such as cost avoidance and savings, duty of care, plus employee satisfaction and retention – can help boost the business case.”

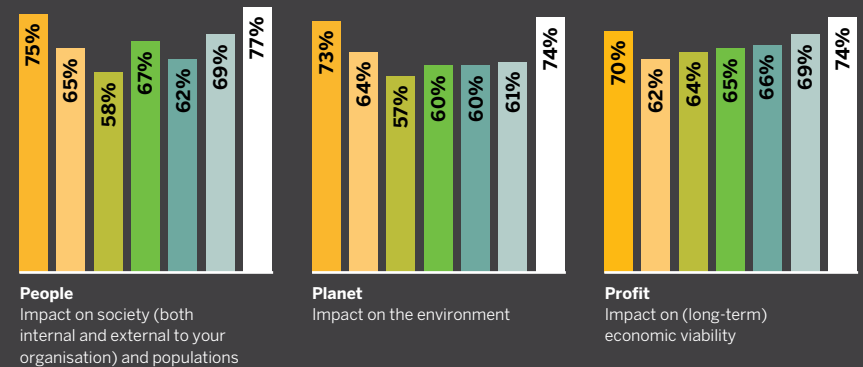
Ranked second only to leadership in the hierarchy of barriers and facilitators was personal knowledge and training, which suggests awareness-building and upskilling could help improve staff understanding of strategic priorities. For leaders, ongoing communication is therefore key, not just for embedding messages firmly in company culture, but avoiding any perceived lack of direction, concludes Colunga.

“Employee communications will be one of the critical factors and this must be driven ‘top-down and all around’ – meaning that messaging needs to be communicated continually to be effective. This is not a ‘one time and done’ scenario, but a coordinated, ongoing campaign for change management, especially when addressing employee behaviour-change.”

### C-suite and senior business decision-makers paint a more optimistic picture of their organisations’ sustainability than more junior staff members

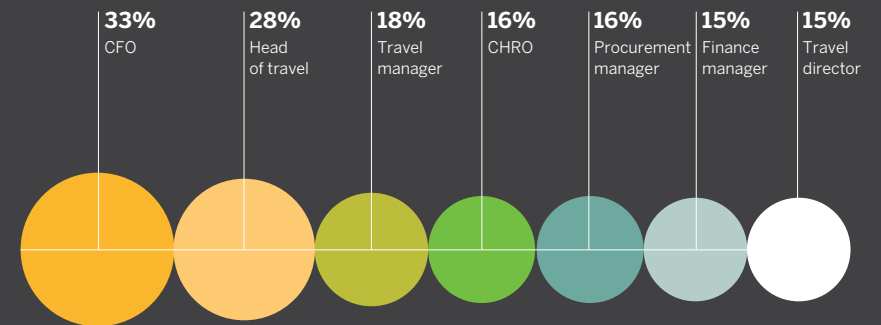
Corporate travel professionals’ ratings of their business’ impact on People, Planet, and Profit as either ‘completely sustainable’ or ‘sustainable’

● CFO ● Head of travel ● Travel manager ● CHRO  
● Procurement manager ● Finance manager ● Travel director



### CFO’s are more than twice as likely to rate their use of data and information ‘exceptional’ than finance and procurement managers

Percentage of corporate travel decision-makers who rated their use of data and information to monitor and track sustainability data as ‘exceptional’, by job role



Use of data – “Exceptional, we monitor and track all data so that it is included as part of our ESG performance and enables us to make more sustainable choices”

# Time To Rethink Your Corporate Travel Policy

As demand for higher levels of sustainability grows, it raises the question, is your policy still fit for purpose?

# 22%



of corporate travellers are likely to avoid long-haul flying outside of work

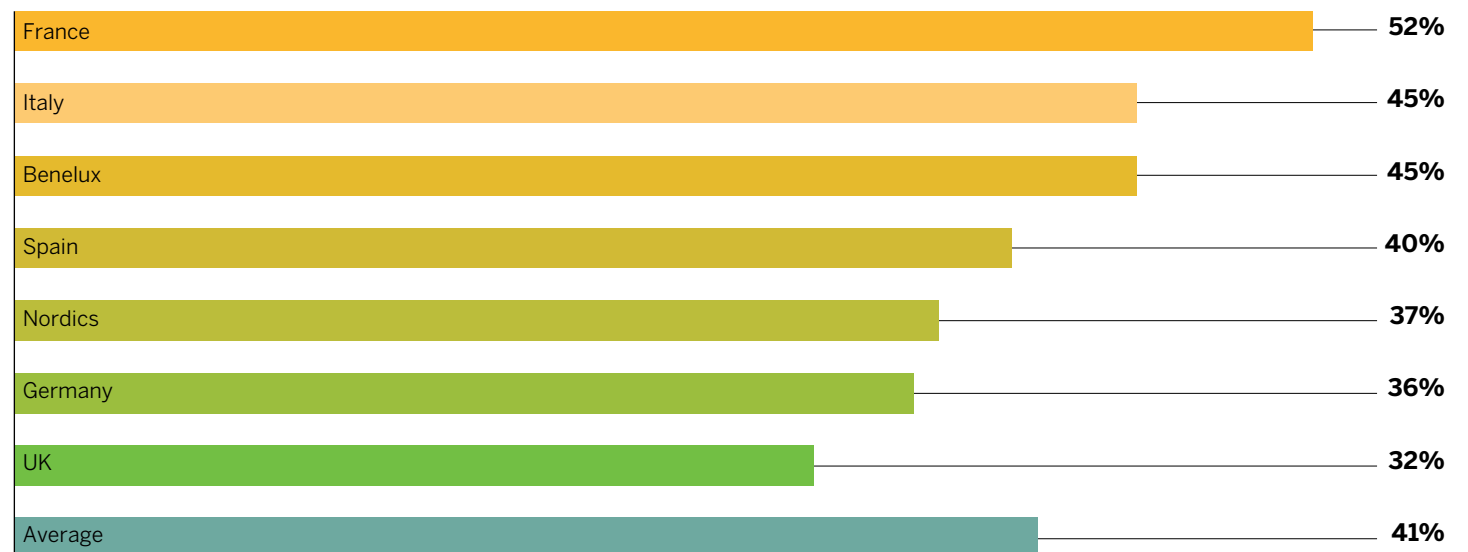
# 40%



are likely to avoid single-use plastics in their personal lives

## Sustainability is becoming a priority for corporate travellers

Demand for carbon emission compensation from corporate travellers in their personal lives



**With these attitudes carried through to their work life...**

**59%**

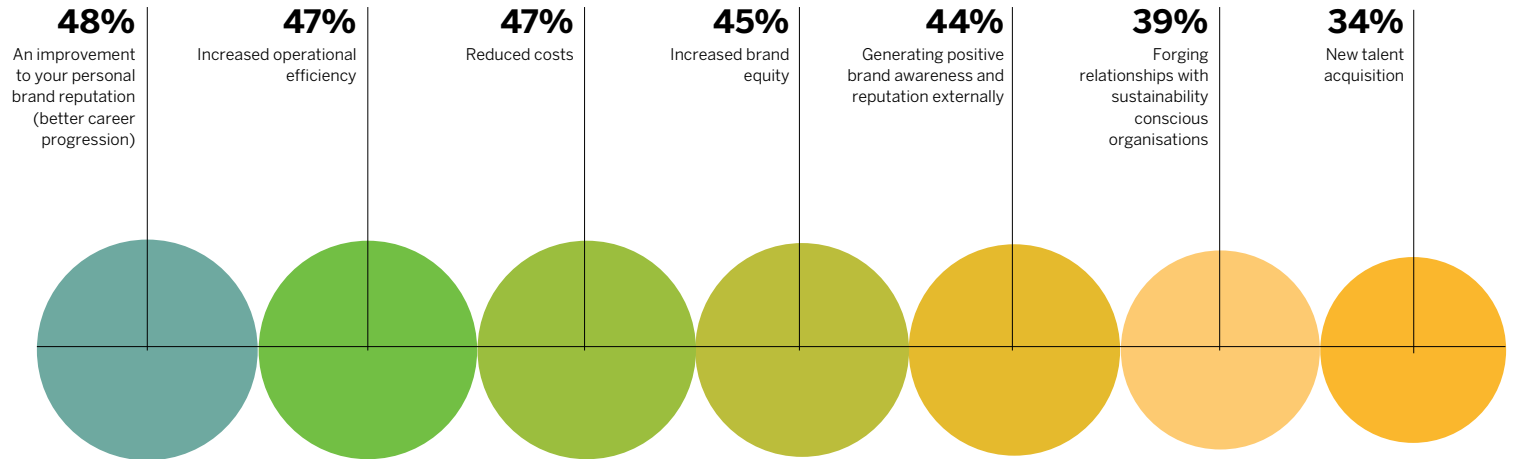
of corporate travellers think sustainability is very important in corporate travel

**58%**

would exceed / disregard their organisations' corporate travel budgets / policies for a 'greener' travel option

**...and able to translate into real business value**

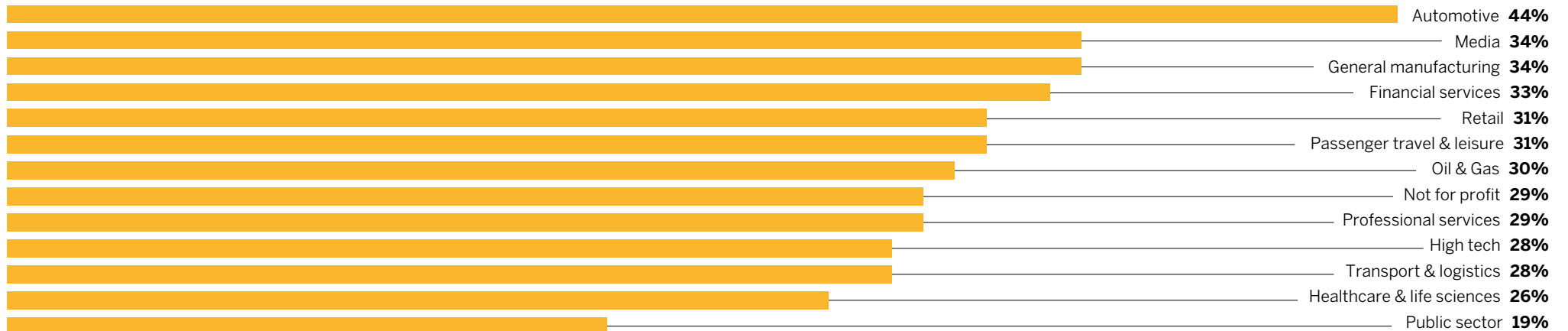
Most beneficial outcomes of incorporating sustainability into travel policy



**Businesses are beginning to recognise this, with Automotive leading the way**

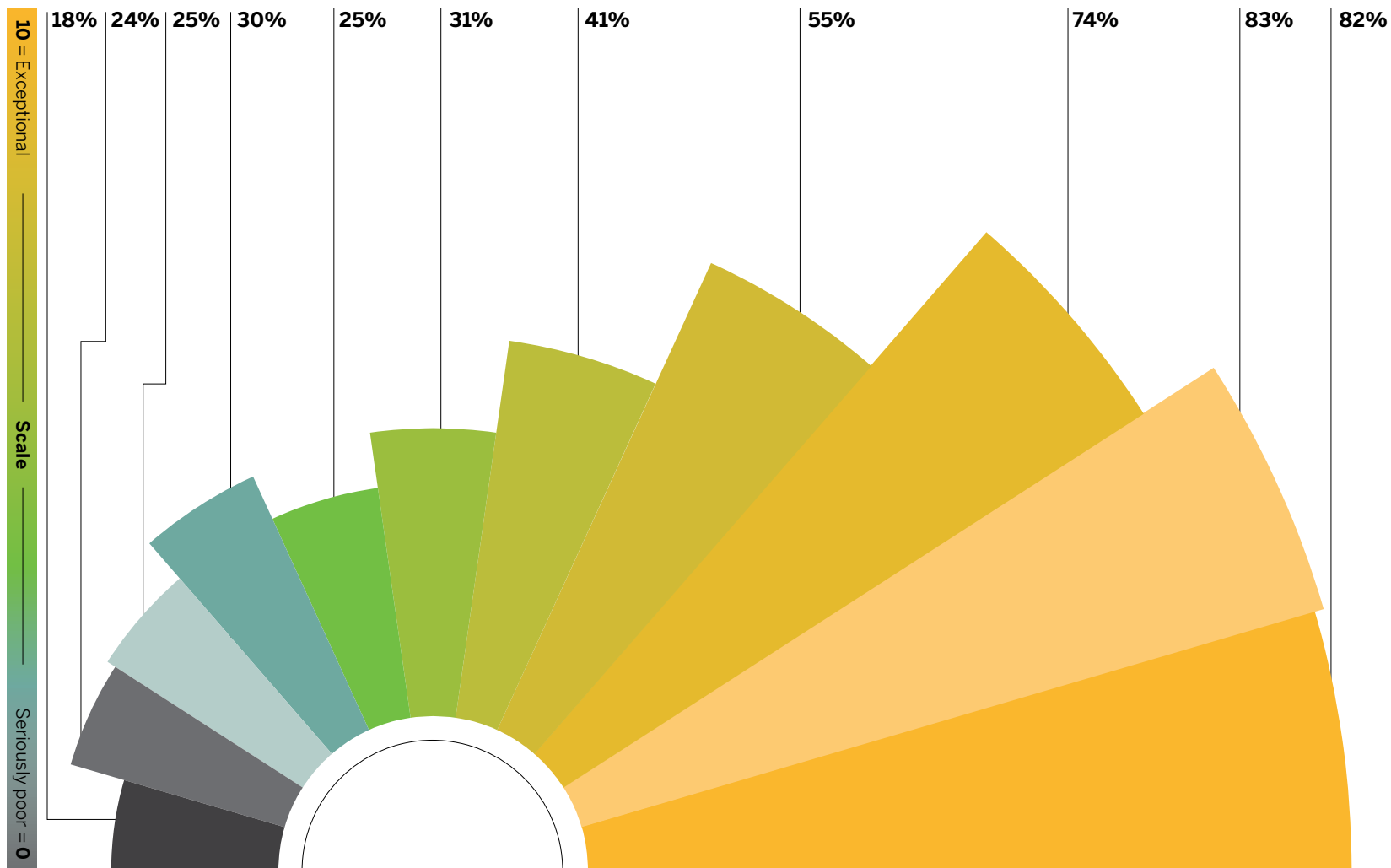
The industry proficiency index

Percentage of corporate travel decision-makers that rate their organisations highly proficient in sustainable corporate travel



**Corporate travel decision-makers who rate themselves 'exceptional' users of data and information are almost 5x more likely to be proficient in sustainable corporate travel practices**

Percentage of corporate travel decision-makers that rate their corporate travel activities highly sustainable, according to their data management capability



**But how can it be achieved?**

Data is at the heart of a sustainable corporate travel policy with investment in tools and training holding the key

**33%**

of corporate travel decision-makers said their data does not provide an accurate picture of their impact

**Most common barrier**

**38%**

ranked a lack of professional tools providing visibility of travel's environmental impact in their top three

**Most common facilitator**

**35%**

ranked robust personal knowledge/training on sustainability issues in their top three

# THE REAL RETURNS ON Sustainable Travel

Organisations are willing to invest more in sustainable travel, with potential benefits both for the planet and their employees.

What justifies a trip across the world? Identifying trends and new markets, perhaps? Or maybe it's visiting a key client?

While 55% of travel decision-makers said their organisations are proficient in considering the "necessity" of travel versus a phone or conference call, these results are representative of a world where the scales tipped in favour of face-to-face interaction. But as normality returns post-COVID-19, essential travel could well evolve into a new category, pushing businesses and travel operators to re-evaluate their strategies.

Securing additional budget upfront for sustainability initiatives in commercial markets can be an obstacle to progress even at the best of times, with pressure on procurement teams to present the triple-bottom-line business case and justify any kind of "green premium". The figures, then, in the *Corporate Travel Sustainability Index 2020* on the willingness of companies to invest more money into sustainable travel programmes are perhaps surprisingly positive.

## BIG SPENDERS

Asked how much additional spend they were prepared to commit over and above their current travel management budget, organisations were relatively generous. A top-up of up to a fifth more money (11-20%) proved most popular, acceptable to almost one in three companies (31%). Almost a quarter (23%) would even go so far as spending double that amount (21-40%).

Interestingly, corporate travel decision-makers scored up to four times more likely than business travellers to allocate extra spend. This could be interpreted as a reflection of their lower assessment of sustainability performance and acknowledgement of the need for further investment. Alternatively, as sustainability often seems at odds with the more extravagant end of luxury travel, it might simply suggest that business travellers are cautious about justifying any excess.

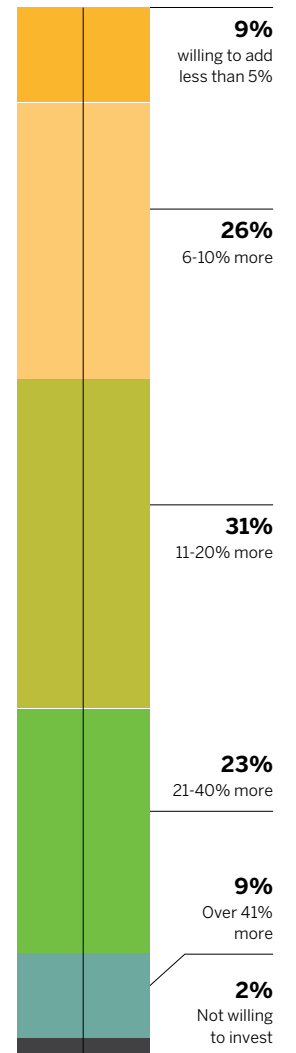
Just 2% came out as unwilling to offer any extra investment in the area. These numbers align with the fact that fewer than one in 10 corporate decision-makers (9%) cited lack of budget as the main barrier to implementing sustainability, while just 3% identified extra funds as a principal facilitator. For once, money is neither generally the problem, nor exclusively the solution.

As normality resumes, this willingness to invest in sustainable travel pursuits should not be compromised in the short term as companies recalibrate their finances. Indeed, several government airline bailouts in Europe include environmental improvement obligations. Governments are picking up the torch on sustainability and using the airlines' bailout requests as a driving force for progress.

## TIME SAVINGS

Time, on the other hand, is a potential gamechanger. The research reveals that business travellers are willing to give up their time to a significant degree in favour of more sustainable journeys, with 34% happy to give between two and four hours,

## Willingness of businesses to invest in a more sustainable travel programme

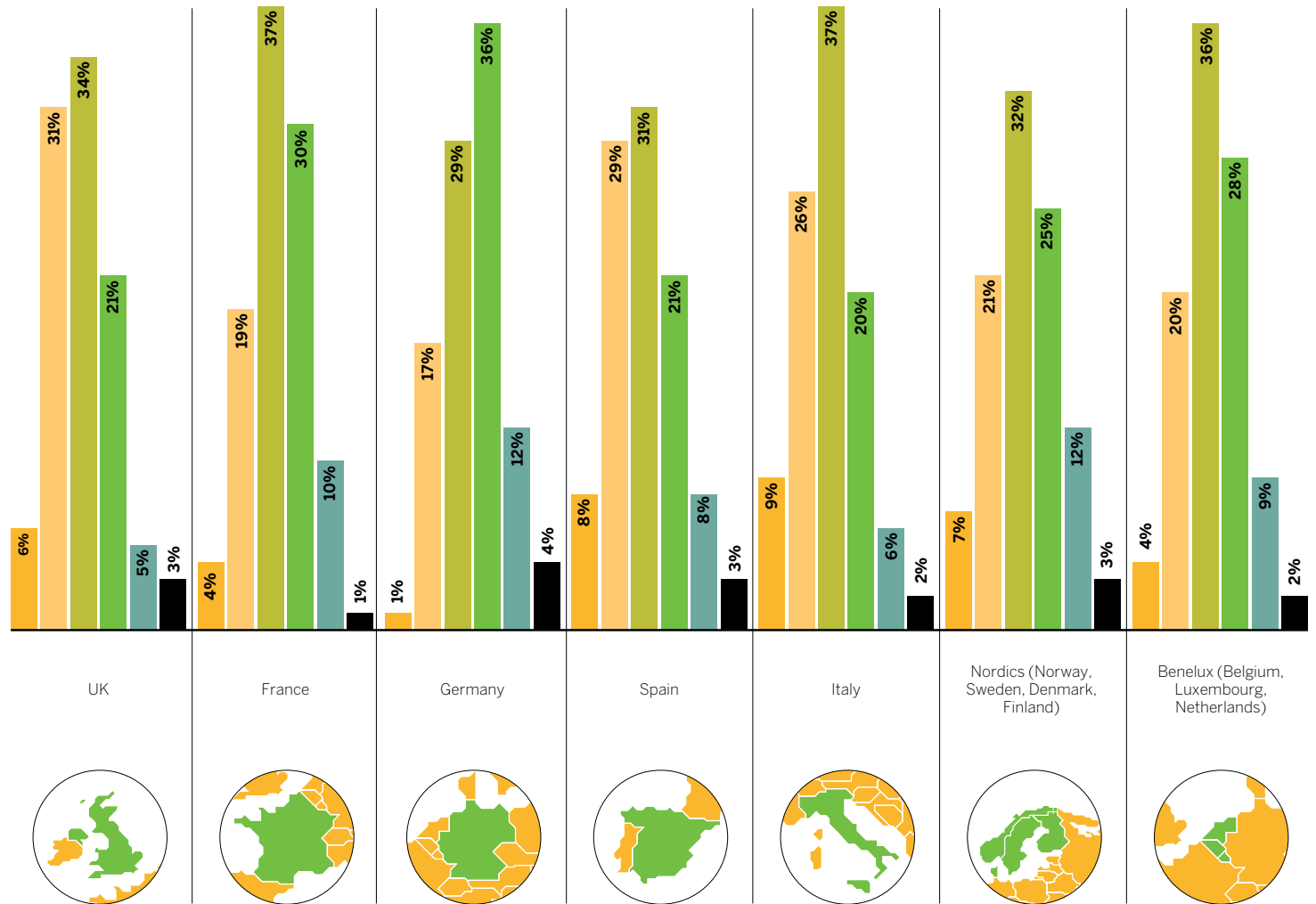




### Sustainability over convenience

Percentage of corporate travellers willing to increase their corporate travel time if it would drastically improve the sustainability of their journey

● 0 - 30 mins    
 ● 30 mins - 2 hours    
 ● 2 - 4 hours    
 ● 4 - 8 hours    
 ● 8 hours +    
 ● I would not be willing to increase my journey time for a more sustainable option



while 26% would increase their journey time by four to eight hours. There were geographic hotspots for this, with corporate travellers from Germany and the Nordics most willing to add over eight hours for the sake of sustainability.

Once you factor in all the time spent on the ground in connection with air travel – allowing for transfers, check-ins and the like – the difference is sometimes not even that great, argues Ed Gillespie, author of *Only Planet: A Flight-Free Adventure Around the World*. We need to move to lower-carbon overland options like trains wherever practical, he says. A default overland policy can be useful. For example, if a train journey is eight hours or under, then this should take preference over a flight, primarily because we never include the whole journey time when comparing the two transport modes.

“Well-planned business travel by train is far more productive – more comfortable, more convivial, more congenial.”

#### A BROAD PERSPECTIVE

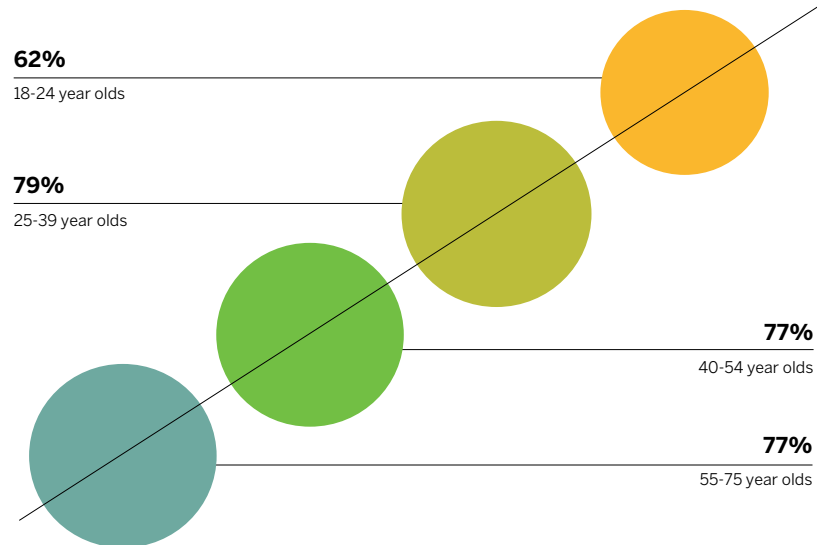
Very positively, business travellers believed their organisations to be relatively proficient in dealing with what matters most to them. Considering People, Planet, and Profit together, the top three sustainability criteria for employees were: The physical health and condition of the body (40%); health and safety (40%); and mental health, psychological and emotional wellbeing (38%).

For corporate travel decision-makers, the top two were again physical health (36%), plus health and safety (35%), but ranked third was the employee rights of third-party suppliers (32%), covering such metrics as working conditions, fair wages and overtime. Here, decision-makers readily admit that more could be done, with an untypically significant gap between ratings for importance as against proficiency in delivery.

There is perhaps a lesson to be learned for business travel professionals from their counterparts in event management: namely, that sustainability amounts to more than environmental considerations alone,

#### Sustainable travel policies make organisations more attractive to talent

Percentage of corporate travellers that would be more inclined to work for a company that builds sustainability considerations into its corporate travel policy



advises Fiona Pelham, CEO of Positive Impact Events and Chair of ISO 20121, the voluntary international standard for sustainable event management.

“Although carbon emissions are a prime consideration, the global ISO 20121 standard asks users to identify all issues relevant to their situation. To understand the full range of factors, it makes sense to look at the United Nations Sustainable Development Goals – encompassing such concerns as fair work and gender equality – and there is now a growing trend within events to deliver activities which leave a positive social impact, for example volunteer programmes.”

With such social metrics on the rise, the real return on business travel looks set to measure profit increasingly in terms of people, not just planet.

## Putting A Price On Sustainable Corporate Travel

The fact that all but the tiniest minority (2%) of companies would be prepared to allocate additional budget to boost sustainability in travel management begs two key questions: What do they expect in return and what are the risks of not doing so?

One of the key benefits accrues to talent recruitment and retention. For most age groups, almost eight out of ten business travellers would be more inclined to work for a company that builds sustainability into its corporate policy, with the most committed being 25-39 year-olds (79%).

New talent acquisition, however, scores lower (34%) than several other perceived beneficial outcomes of investing in sustainability.

The most highly regarded would be improvement of personal brand reputation for those in charge, as manifested by better career progression (48%). This is followed by the traditional bottom-line benefits of increased operational efficiency and reduced costs (both stand at 47% and are popular with less sustainability-oriented organisations). Increased brand equity (45%), along with positive brand awareness and external reputational benefits (44%), score marginally better than relationships forged with like-minded organisations (39%).

Some sustainability policies, such as prioritising train travel over flying, might prove almost cost neutral, or even more economical. Others potentially demand a trade-off, where the introduction of financial incentives, as favoured by almost half of all respondents (46%), might need either to be offset in cost savings or justified by quantifiable business returns.

However, the sheer breadth of benefits, combined with the strength of support, effectively answers any question about the risk of doing nothing: There is simply too much to lose.



# EDUCATED Decision Making

As sustainability becomes a reality in corporate travel, data proficiency will take centre stage.

“

The rise in visibility around corporate travel activities and policies is not just probable, it is inevitable

The more the sustainability agenda shifts its focus from passion to action in a bid to demonstrate a “return on travel”, the more the data story becomes central to everyday decision-making.

Broadly speaking, there is a correlation on many levels and in multiple fields between proficiency in data usage and achievement against various sustainability goals. This ranges from managing ethical affiliations (People), through carbon offsets (Planet), to financial risk (Profit).

Individuals who are “exceptional” in their usage of data to assess the impacts of corporate travel in these three areas are over five times more likely to be exceptionally proficient at having a fully integrated and effective sustainability process than their “poor” to “seriously poor” data-user counterparts.

The same correlation between proficiency and data skills also works in reverse. The finding that two out of five public-sector professionals (40%) know they need to make changes around sustainability, but are unsure how to do so, can be explained in part by the fact that 27% of the same professionals also rate their own use of data as “seriously poor”.

## DATA DISCONNECT

When it comes to staff responsibilities, the highest proportion of respondents self-identifying their use of data as “seriously poor” to “poor” is drawn from procurement managers, who form almost a quarter of this group (23%), then travel managers who constitute nearly a fifth (19%), followed by finance managers and chief human resource officers (CHROs), each at 16%.

If these low proficiency ratings are then cross-referenced with results from the *Corporate Travel Sustainability Index 2020*, where the main priorities for travellers include health and safety, physical health and supplier credentials, then alarm bells begin to ring. The priorities involved would all be primary areas to assess and monitor for travel managers, procurement managers and CHROs.

This means that the people with most responsibility for these issues openly rate their own data usage as “poor” to “seriously poor”, while still potentially featuring among the two thirds of corporate travel decision-makers (65%) who self-confidently proclaim that their organisations are either completely or substantially sustainable. How can these organisations have such high levels of confidence in their own proficiency?

In some cases, it is more a matter of mixed messages than serious, structural issues within an organisation. An apparent disconnect around data properties between different tiers of management is not uncommon and can be relatively easy to explain, if not necessarily fixed, suggests Ralph Colunga, Thought Leader, Travel and Expense Technology Solutions at SAP Concur.

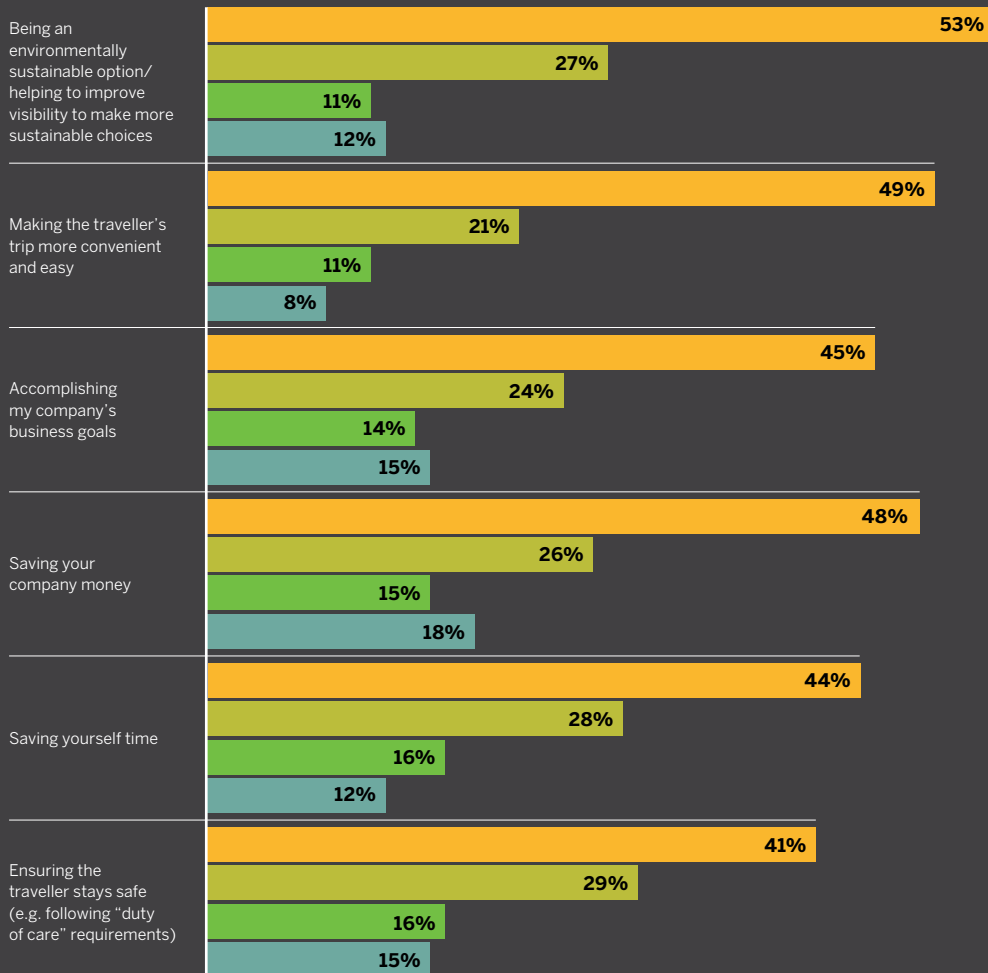
“Each of these groups are essentially looking at different datasets and I see this misalignment rather often,” he says. “The problem is that lower management and operational personnel get caught up down in the weeds. They align many of their concerns with topics that are important but simply not high priority to either the business or their seniors.”

Visibility is ultimately paramount when approving services for use of corporate travellers. The research responses offer additional levels of granularity here,

### Visibility is paramount

When approving services for the use of their corporate travellers, travel decision-makers ranked the following factors as 'critical'

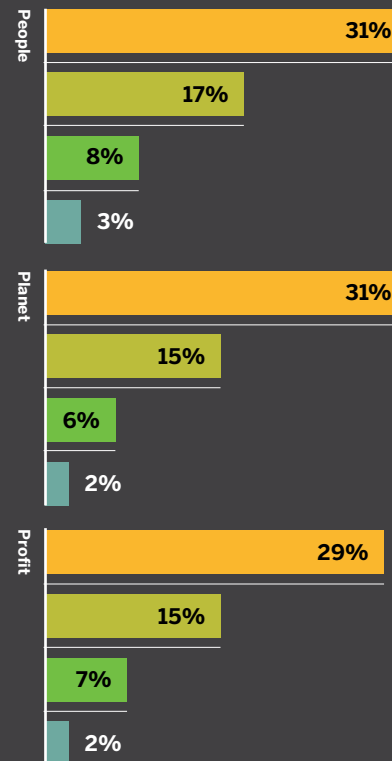
**Use of data** ● Exceptional ● Good ● Average ● Poor/seriously poor



### Those who are exceptional at using data are over 10 times more likely to rate themselves highly proficient in considering sustainability matters across People, Planet, and Profit

Corporate travel decision-makers who are highly proficient at considering sustainability matters in the context of corporate travel, broken down by data and information usage

**Use of data** ● Exceptional ● Good ● Average ● Poor/seriously poor



with corporate travel decision-makers who are highly proficient in their use of data tending to prioritise and choose "environmentally sustainable options" when making assessments, regarding them as "critical".

The spread of results in this regard is significant, with highly proficient data users more than four times (53%) more likely to identify sustainable options and choices as critical than their counterparts in "seriously poor" to "poor" users of data (12%).

### RISE IN VISIBILITY

Like any snapshot in time, the *Corporate Travel Sustainability Index 2020* effectively captures the full spectrum of progress on visibility around corporate travel policies and activities, from total oversight down to zero visibility. Whatever the level, though, the data is there, even if it may not yet be visible, concludes Mike Koetting, Chief Product Strategy Officer for SAP Concur.

"Even for senior management, the axiom 'what gets measured, gets managed' still applies. However, it takes time for new metrics and corporate goals to get embedded and embraced. What will change the game, though, is that both company boards and legislative bodies are going to be ramping up the carbon and climate regulatory and reporting objectives."

Ultimately, this pull-through from above will in turn push senior management to understand the importance of providing appropriate and actionable data, Koetting continues. "As a result, the rise in visibility around corporate travel activities and policies is not just probable, it is inevitable."

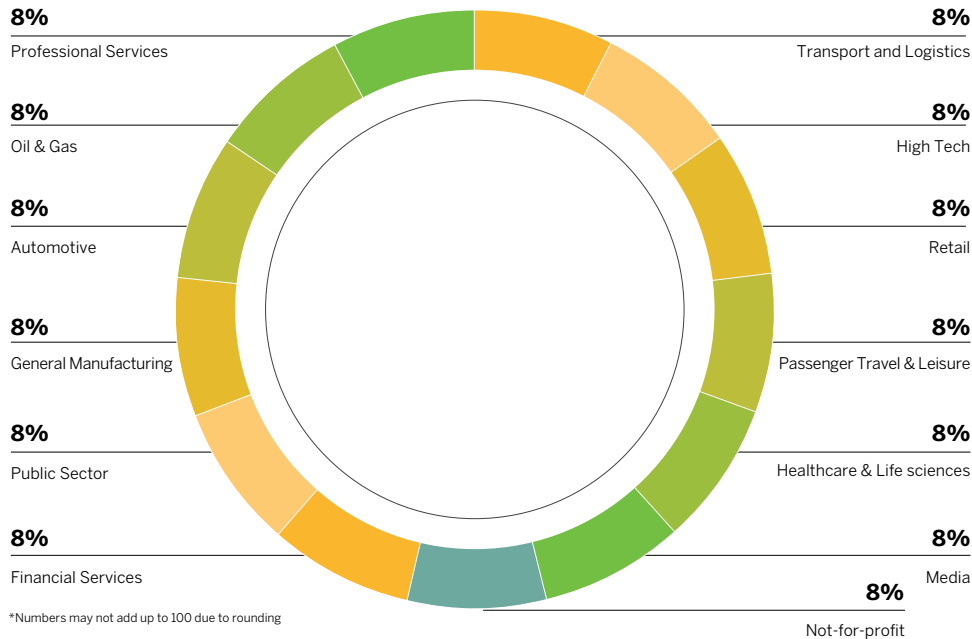
As demand for higher levels of sustainability grows, questions about corporate travel policy will be raised more strongly, more often and by more parties, from management and employees to supply-chain partners and external stakeholders, as well as the travellers themselves.

Is company policy still fit for purpose? Only investment in data, plus the tools and training to go with it, will provide leaders with the right level of visibility to know when it is time for a rethink.

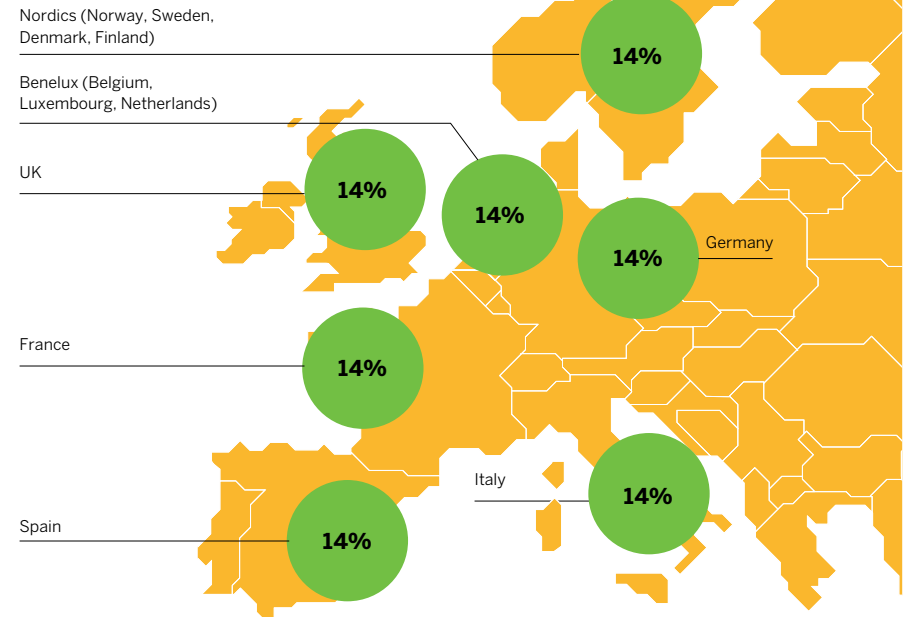
# Demographics

Corporate travel decision-makers — 2,450 respondents

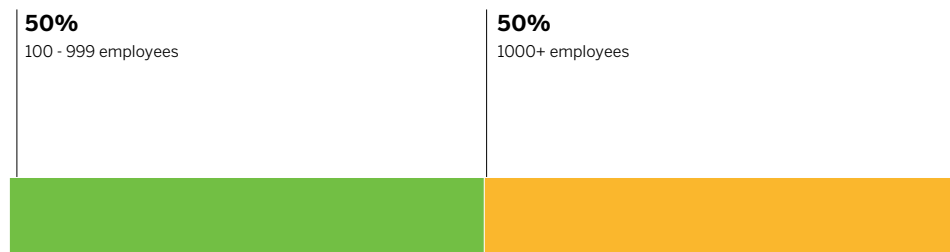
## Industry breakdown



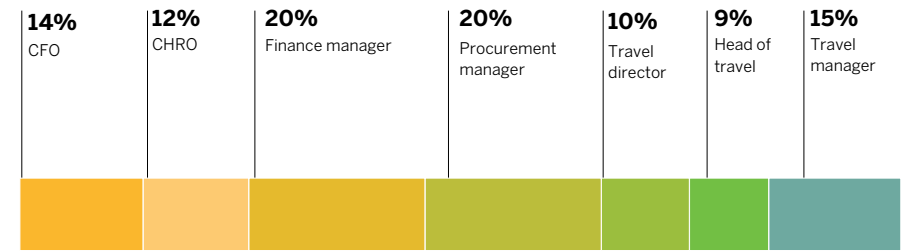
## Regional breakdown



## Company size (by number of employees)



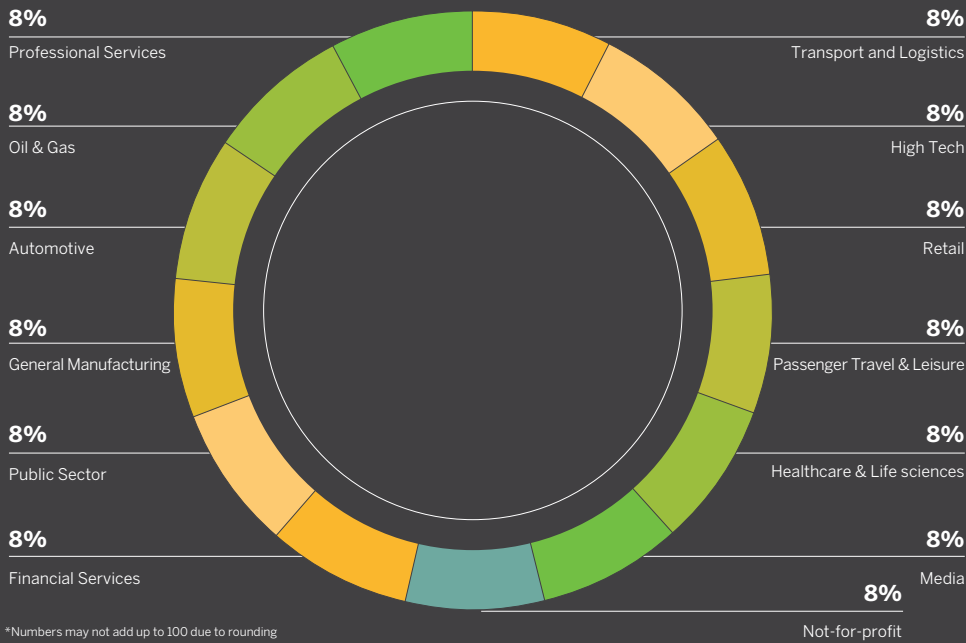
## Job titles



# Demographics

Corporate travellers — 2,000 respondents

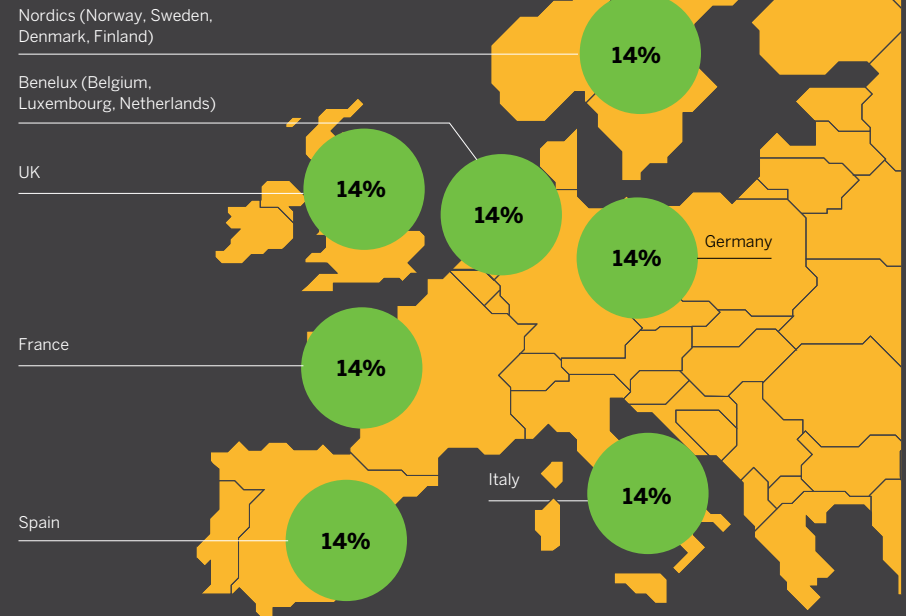
## Industry breakdown



## Job function



## Regional breakdown



## Times travelled per year



## Age



## SAP Concur

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