Understanding Your Travel Population

Traveler Segmentation and Customization Can Lead to Increased Compliance and Enhanced Traveler Satisfaction

Traveler managers who rely on past experiences with and prior knowledge of business travelers are missing opportunities to connect with today's new breed of business traveler.

Regardless of age, experience or title, today's business traveler is likely to be:
• connected with multiple forms of technology
• feel that business travel makes their life enjoyable
• count staying in touch with family and friends, even while on the road, and staying safe while traveling among their top priorities

Those are some of the findings of a Global Business Travel Association (GBTA) Foundation study, sponsored by Concur, which set out to better understand today's business travelers in order to ensure both corporate travel managers and travel suppliers can better meet their needs.

The results were based on an online 15-minute survey of 801 travelers who have taken at least four trips requiring travel of at least 50 miles. Beyond an overview of the average business traveler, GBTA used a sophisticated statistical analysis to group travelers into different segments, based on key characteristics of their travel, such as annual number of trips and average trip length, as well as attitudes and beliefs about business travel.

The result is a groundbreaking segmentation of travelers into five "buckets":
• Veterans (33%)
• Road-Weary Travelers (25%)
• Wide-Eyed and Anxious (21%)
• Passionate High-Tech (14%)
• New Recruits (7%)

Five Types of Business Travelers

Each of the five types of travelers segmented by the GBTA survey has its own unique characteristics. Armed with an understanding of the particular needs, problems and challenges of the dominant groups within their own companies, travel managers can tap into new technologies and creative solutions to

Segmenting Your Own Travelers

While experienced travel professionals may have an intuitive understanding of who their travelers are, a closer look could provide some surprises. The GBTA segmentation is not just based upon demographic data such as the number of trips taken or nights on the road, but also on attitudes related to travel, such as goals when traveling, beliefs about travel, importance of technology when traveling and more.

Understanding which buckets your own travelers fall into requires a multi-prong approach.

Data Mining

TMC: The TMC is the obvious starting point for basic segmentation such as nights in hotels, number of trips by plane, airline status, compliance to policy, etc. However, TMC data will not show information about those who are not compliant or have not fully shared their information with the TMC.

SUPPLIERS: Working directly with airlines and hotels may provide information not available through the TMC, especially in the area of status levels.

EXPENSE SOLUTIONS AND CARD DATA: This data will reveal information about those who are not booking through the TMC/online booking tool—are they booking with preferred suppliers but outside of the preferred or mandated booking channel or are they booking with non-preferreds? Are they booking direct with the supplier or through a commercial website?

Insights into Travelers

Beyond the hard data, understanding the motivations, needs and pain points of travelers will help direct the best way to address particular segments.

SURVEYS: Monitor results of TMC surveys regarding traveler satisfaction with processes, but also dive deeper with enterprise surveys to look at what travelers are doing on the road, technology use, what they value, what they would like to see changed and more.

REAL-TIME MONITORING: Gauge satisfaction levels with the booking process in real time by asking one simple question at the end of the process. Or make it more fun: Michelle De Costa, global travel manager for Sapient, uses a simple sliding scale at the end of each booking. Travelers can slide to a happy face, neutral face or sad face, a quick picture of their satisfaction level.

SOCIAL MEDIA: Monitor enterprise-wide social media to see what employees are talking about, whether travel-related or not. What technology are they using? What questions are they asking? Are they reaching out to each other with questions about travel logistics or processes? Are they asking what to do or see in a particular city?

enhance traveler satisfaction and drive policy compliance.

❶ Passionate High-Tech

Key Characteristics

Not surprisingly, these travelers tend to fall on the younger end of the spectrum. According to the GBTA study, 52 percent were 18 to 34, while 39 percent were 39 to 54 and only 9 percent were 55 or older.

97% of Passionate High-Tech Travelers believe having the opportunity to travel for work makes their job more enjoyable.

Almost all of them believe having the opportunity to travel for work makes their job more enjoyable (97 percent) and they bring technology on their trips to stay in touch with family and friends (98 percent) as well as extend their business trips for personal reasons and still keep up with their work (95 percent). More than three-quarters (81 percent) like to use social networking to make plans to meet up with people when traveling for work.

Priorities for these travelers include integrating their business travel into their lives, with a focus on staying productive, feeling at home and staying entertained while traveling.

Targeted Approaches

Keep these early adopters engaged by ensuring that the latest apps and technologies are supported by the travel program—if they can't use their technology in-program, they're likely to go out of compliance.

Along the same lines, look for extra perks to keep them off of commercial sites and using the preferred or mandated channels. Supplier perks like status with hotels or airlines and access to rewards programs are likely to provide the

incentive they need to use preferred channels and suppliers. Or use such channels to provide additional information about what they can do in a new destination since entertainment is a key motivator for them.

Communicate with them the way they like to interact—through SMS messaging and enterprise-wide social media. They may or may not read an email, but they can't resist a text message or a question online.

This group is also ripe for gaming strategies—they're accustomed to acquiring points and badges for online tasks so optimize that predisposition with intangible rewards for such desired behaviors as early booking or even answering someone else's travel-related question on a social media site. Keeping these travelers engaged with the program is key.

❷ Veterans
Key Characteristics
Experienced travelers, veterans tend to be on the older side, with 55 percent falling between 35 and 54, 33 percent who are older than 55 and only 12 percent younger than 35. They know how to keep track of their expenses and manage their itineraries (or have assistants who perform such tasks for them), and are generally prepared to deal with unexpected situations on the road.

Their most important objective when traveling is to ensure their trip goals are not hindered by lack of equipment or connectivity (59 percent), quickly followed by staying in touch with their family (54 percent).

59% of Veterans say their most important objective when traveling is to ensure their trip goals are not hindered by lack of equipment or connectivity.

Because of their age, and often high-level status within an organization, veterans can be heavy policy-influencers—keep them happy and they will champion the travel program.

Targeted Approaches
For these most important travelers—those at a high level both within the organization and in terms of status with airlines—a streamlined booking process that makes it easy for them to select their preferred carriers and leverage their status is key.

Follow up bookings with SMS messaging to reinforce the messaging on the booking tool. While this is a benefit to any traveler, it can be particularly important for travelers who have executive assistants make their arrangements. Messaging puts the information directly in front of travelers at the time when they most need it, such as shuttle information when they arrive at the airport or a reminder of a negotiated free breakfast first thing in the morning.

For such travelers, also consider policy flexibility. In other words, for these travelers, the benefit-cost ratio might even translate into allowing them to use non-preferred carriers, in a case, for example, when the preferred doesn't well serve their location and would require connections. While compliance and cost are always factors in a travel program, the benefits of allowing such exceptions might outweigh the disadvantages.

In addition, work with supplier partners to add perks beyond what's included in status clubs, such as priority boarding, upgrades or complimentary baggage. Because of the volume of their travel and their corporate status, keeping veterans happy is as important to suppliers as it is to travel management.

Then translate those add-ons into a marketing message to travelers. If, for example, 25

The Next Level
Wow your travelers by taking advantage of real-time data. Michelle De Costa, Global Travel Manager for Sapient, recently sent SMS messaging to three travelers as they were disembarking from a plane that had been diverted because of a bomb threat. She was able to immediately reassure them that the company knew where they were, what had happened and was available to help in any way they needed.

percent of travelers have been upgraded by a preferred airline, let all travelers know—it highlights the potential value to them of using that preferred carrier while also reinforcing the importance of a well-managed travel program.

❸ Road-Weary Travelers
Key Characteristics

The name says a lot about this group of travelers: They travel frequently, but not with the same interest as the high-tech passionate group and they're most likely not in the upper tiers of management as the veterans are.

Although they travel often, understand the value of face-to-face meetings and are good at managing the logistics of travel, they're more likely to feel that traveling is a hassle, rather than an exciting opportunity. Only 65 percent of them say having the opportunity to travel makes their job more enjoyable, fewer than in any other segment.

50% of Road-Weary Travelers drive to their business travel destinations.

Their travel is almost always domestic (95 percent) and the method of transportation for their trips is fairly evenly split between driving (50 percent) and flying (46 percent). They are less likely than other groups to travel to different destinations for each trip; often they are returning to the same destination time and again.

Targeted Approaches
Because of their volume of travel—and the repeat nature of it—you may be able to negotiate added perks at hotels where they stay frequently, reducing the hassle of travel for them and adding back in an element of "special."

Entertainment options, in particular, hold value for this group so consider negotiating in-room entertainment, complimentary fitness center use or other things they can do in their free time.

Because these travelers are so experienced, messaging about process or compliance is generally not as important to them—they know the routine. But targeted messaging still has its place, such as directing them to enterprise social media sites or specific consumer sites after booking is completed for more information about what to do in their destinations.

❹ New Recruits
Key Characteristics

Enthusiastic and high-tech, these young travelers don't yet have the experience to be efficient or savvy travelers, but they're anxious to learn. According to the GBTA study, 60 percent are younger than 34 and another 38 percent are between 35 and 54; only 2 percent are 55 or older.

Their trips tend to be longer than other segments, ranging from an average in the GBTA survey of six days to potentially running to weeks or even months off-site as the result of long-term assignments. For 30 percent of these travelers, the destinations are international.

96% of New Recruits find excuses to travel more frequently for work than they really need to.

A full 96 percent of them say they find excuses to travel more frequently for work than they really need to, and 87 percent say they like to use social networking to meet up with people when they're traveling for work. This group is also very concerned about their carbon footprint: 94 percent say they plan their

business travel choices to minimize their impact on the environment.

On the other hand, they are more likely to be thrown by some of the everyday annoyances of travel: 82 percent say keeping track of their travel expense receipts takes too much time and 70 percent say they have trouble making sure they abide by all of their organization's travel practices.

Targeted Approaches

These travelers can be a double-edged sword. Their youth and lack of experience means an opportunity to mold them into model travelers who are trained right from the start in terms of using preferred suppliers and the importance of policy compliance on the whole. On the other hand, they're likely to be of a generation that is very tech-savvy and might want to use their tools to go outside of policy. So start them off right and get to them before bad habits develop.

For international travelers on long-term assignments, there are several ways to direct them—both to ensure their peace of mind as they set off to lands unknown and to assure compliance with policy.

The most direct way to achieve all goals is to create a special portal for these travelers when they log onto a booking tool. Depending on their intended destination, they will be directed to a single airline, single hotel and single ground transportation solution—eliminating the need for them to make choices and enhancing the idea that they will be well taken care of along the way.

Such a site can also include all the other information such travelers will need, including an introduction to the culture, destination information, required documentation, immunizations and other health issues, safety and security, and so on.

With or without a specialized site, travelers can also be directed to other dedicated online resources, such as tutorials, podcasts, webcasts and social networking sites for continued training and education.

Because of the intense nature of this kind of travel, in-person contact can also be crucial. Consider dedicated agency support with specialized knowledge of their destination or a specialized in-house peer group to further assure comfort. A mentoring program matching new recruits with those who have done similar travel can help ease concerns.

❺ Wide-Eyed and Anxious
Key Characteristics

Like the New Recruits, Wide-Eyed and Anxious travelers tend to skew to the younger side. In the GBTA study, 49 percent were younger than 34, another 40 percent were 35 to 54 and only 12 percent were 55 or older. They take fewer trips than other groups and their most important goal when traveling (50 percent) was "feeling safe when I'm traveling."

43% of Wide-Eyed and Anxious Travelers are uncomfortable navigating around unfamiliar cities.

While they are excited about traveling—84 percent believe it's fun to try new restaurants and visit local attractions when traveling, and 75 percent say technology makes it easier to extend their business trips for personal reasons and still keep up with their work—they have not necessarily fully mastered the nuances of travel for a smooth trip. For example, nearly half (48 percent) say keeping track of their travel records takes too much time and 43 percent are uncomfortable navigating around unfamiliar cities. And more than one-third of them (35 percent) say they have

The Next Level
Watch for new technological developments in airports. Michel La Bianca, Vice President, Global Travel Technology for American Express Business Travel, is envisioning a day in the near future where travelers will be able to purchase coupons in the airport to expedite the travel process, such as bypass a long line to go through a fast track check-in. While such opportunities will be helpful to busy travelers, corporate travel managers will need to create new policy to address such perks.

trouble making sure they abide by all of their organization's travel policies.

Targeted Approaches

Also like New Recruits, this group provides a wonderful opportunity to ensure they are trained correctly from the start about of policy compliance, preferred suppliers, online booking tools and other policy details.

While they don't require the same ongoing dedicated attention as the New Recruits, training before a first trip can help ease their minds as well as solidify the foundations of policy, whether such training takes the form of in-person meetings, group webcasts online or individual tutorials.

In addition to concrete knowledge about policy, these travelers need a little extra help in more general travel matters, such as how to ensure their own safety and security—and how the corporation also acts to ensure that with a well-defined duty-of-care strategy—as well as ways to find a good restaurant in a new destination and even direction on basics like how to optimize seat selection on an airplane.

Ongoing messaging—on an online booking tool, via emails and with SMS messaging— can help ensure compliance becomes engrained before bad habits have a chance to take hold.

Conclusion

As consumer technologies become more sophisticated, advertising and marketing increasingly are targeted to individuals based on past searches, purchases and online behaviors. Customization and personalization are quickly becoming a very influential messaging strategy.

Taking cues from this trend, already best-in-class companies are looking to optimize what they know about their travelers by sending

targeted messaging, creating website portals for specific segments of their travel population and refining the performance of online booking tools based on past behavior.

Text messaging and enterprise-wide social media sites are gaining ground as a means of communication. In addition, gaming strategies and design are being incorporated into travel management as a low-cost but powerful means of rewarding desired behavior.

The technology exists today for most of these targeted messages, but within the managed travel realm, making strategic use of that technology depends on understanding a corporation's make up of travelers.

Well-executed surveys and deep data mining provide the clues to what drives these various segments of travelers—creating the foundation for the next steps in customized communications.

For more information about how Concur can help serve your company's different traveler segments, go to www.concur.org.

The BTN Group would like to thank Michelle De Costa, Global Travel Manager for Sapient; Cindy Heston, Manager, Strategic Sourcing, Travel & Meetings for WellPoint; Michel La Bianca, Vice President, Global Travel Technology for American Express Business Travel; and Joe Bates, Senior Director of Research for the GBTA Foundation, for participating in the webinar upon which this paper is based and for offering further insights for this white paper. To access the archive of the webinar, visit www.businesstravelnews.com/webinars.

Members of the Global Business Travel Association may receive a free copy of the report The Business Traveler Market Segmentation Study; non-members may purchase the report. Contact resources@ gbtafoundation.org.