

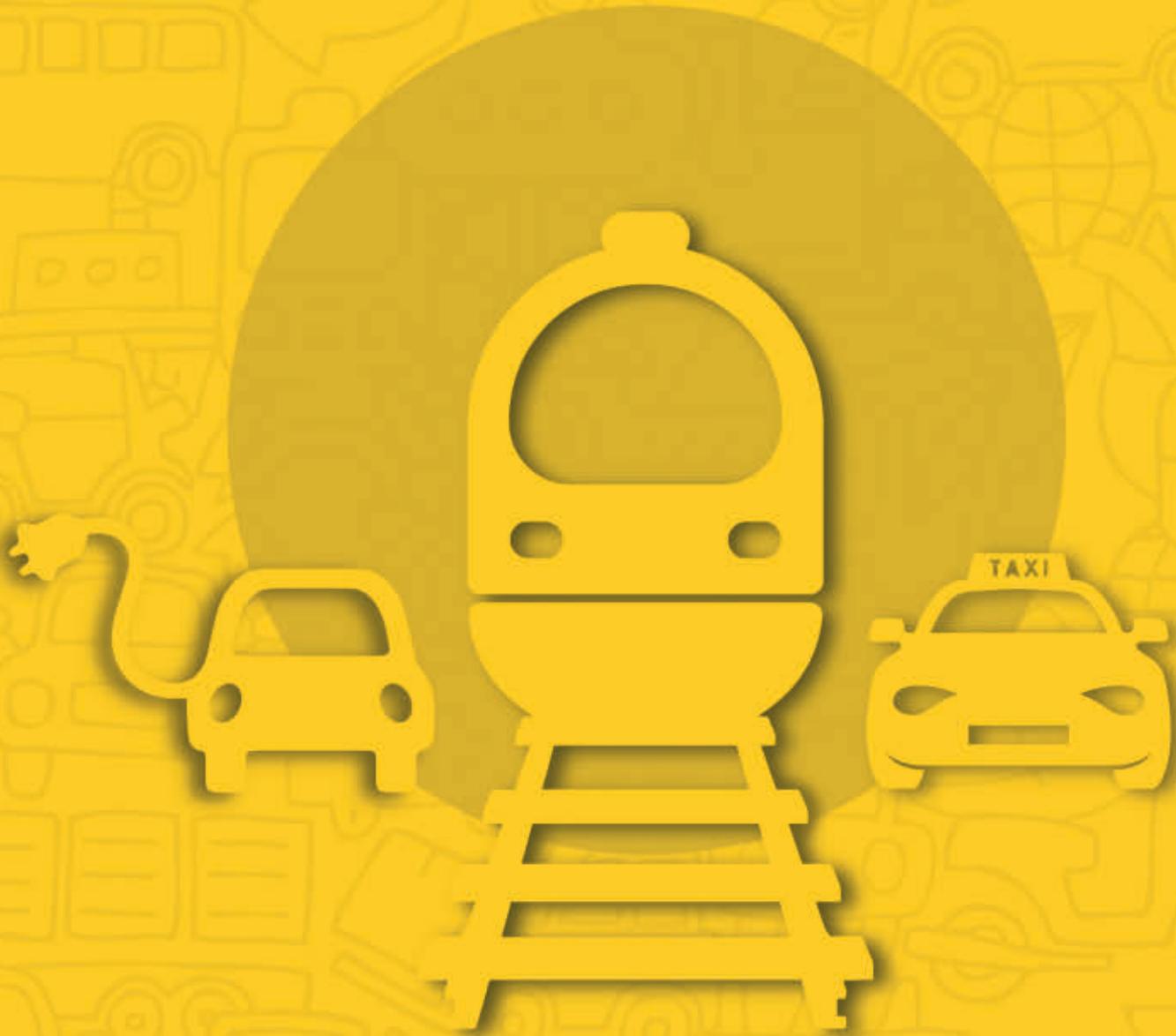
# BTN

BUSINESS TRAVEL NEWS

# EUROPE

#009 JULY/AUGUST 2021

**POWERING EUROPE'S  
CORPORATE TRAVEL  
COMMUNITY**



# GROUND FORCE

## NEW DIRECTIONS

Ground transport's increased profile in post-pandemic travel programmes

## RIGHT ON TIME

Long-distance rail travel poised to benefit from changing attitudes

## DRIVING CHANGE

Electric vehicles and rising rates the key trends in car rental

SHORTLIST REVEALED (SEE P12-13)  
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BUSINESS TRAVEL NEWS  
EUROPE

# Great expectations

As European travel restrictions ease, dare we hope that the autumn really will herald the significant return of business travel?



BY ANDY HOSKINS, EDITOR-IN-CHIEF,  
BUSINESS TRAVEL NEWS EUROPE

**S**urely even the most pessimistic among us will now admit that the pin-prick of light at the end of the tunnel is both growing and glowing more brightly? Ever since the Covid-19 pandemic began we have all sought – often more in hope than expectation – to identify the business quarter, often two or three into the future, when the course of the pandemic will enable governments to ease restrictions, open borders, and allow business travel to resume. Time and again that watershed moment has been pushed back – until now.

There has been a general consensus for some time that the third quarter of 2021 would mark business travel's meaningful return and that is looking increasingly likely. Domestic business travel within the UK and across Europe has been creeping back, but the penetration of vaccine programmes – and the launch of recognised certification for those fully vaccinated – is now beginning to bear fruit for the prospect of international travel. One big question mark remains – when will the US permit fully vaccinated European citizens to travel to its shores?

Despite renewed hope, many travel businesses remain on the brink of existence some 16 months after business travel ground to a halt. In the UK, several TMCs told

*BTN Europe* they were still handling little more than ten per cent of 2019 transactions as recently as May this year.

There is a long way to go and there will inevitably be bumps in the road, but focus is now turning to the speed of recovery. Travel volumes, hotel rates and air fares do not necessarily rise and fall together, and that could well be seen in 2022. Data from hotel re-shopping platform

“

**The penetration of vaccine programmes is now beginning to bear fruit for the prospect of international travel**

Tripbam suggests hotel rates could be back to 2019 levels by the end of this year in some markets if they continue on the same trajectory seen in recent months. It begs the question whether corporates are best off rolling rates over (again) or renegotiating them. Turn to pages 24-26 for more insight.



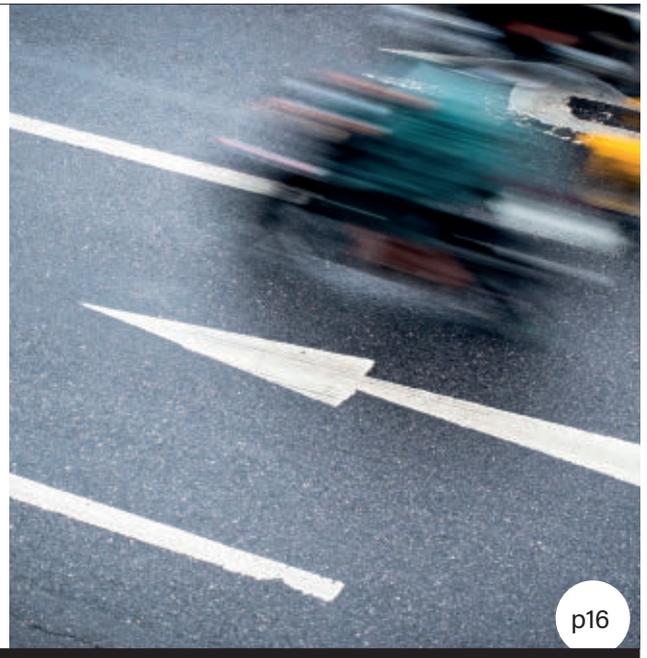
Elsewhere in this issue, we take a look at ground transport's role in the post-pandemic business travel environment, including its increasing – and evolving – profile in corporate policy (p16-18), how long-distance rail travel is poised to benefit (p7 and p20-22), why car rental rates could be on the rise (p32-33), and how remote working is blurring the lines between commuting and business travel (p28-29).

Coming up this autumn are two of our industry's biggest events: the Business Travel Awards Europe ([btn.businesstravelawards.com](http://btn.businesstravelawards.com)) on 9 September and the free-to-attend Business Travel Show Europe at ExCeL London on 30 September and 1 October ([businesstravelshoweurope.com](http://businesstravelshoweurope.com)), both delivered by the BTN Group. We can't wait to reunite the business travel industry in-person at the two events, to celebrate achievement in the face of adversity, and to help foster new relations between buyers and suppliers ahead of a year we all hope will mark business travel's rebound. See you there.

• *As ever, we welcome your feedback.*  
Email [ahoskins@thebtngroup.com](mailto:ahoskins@thebtngroup.com)

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Ground transport is helping to drive the return of business travel as the world emerges from the pandemic, but what impact will this have on travel policy? **Rob Gill** reports

### 20-22 Rail travel: Right on time

Rail travel across Europe is evolving; so are business travel patterns. **Nick Easen** reports

### 24-26 Hotel market: Rate expectations

A recovering market and unpredictable travel volumes add further complexity to hotel negotiations already fraught with unknowns, writes **Andy Hoskins**

### 28-29 Commuting: Blurred lines

Is yesterday's commuter tomorrow's business traveller? **Amon Cohen** explores the grey area where commuting and business travel overlap

### 32-33 Car rental: Driving change

Car rental has been viewed as a 'safer' form of travel during Covid but problems with the supply of new vehicles could force up prices in the coming months, writes **Rob Gill**

### 34-35 Hybrid events: Dual purpose

Live events are returning but simultaneous virtual delivery could be here to stay, writes **Amon Cohen**



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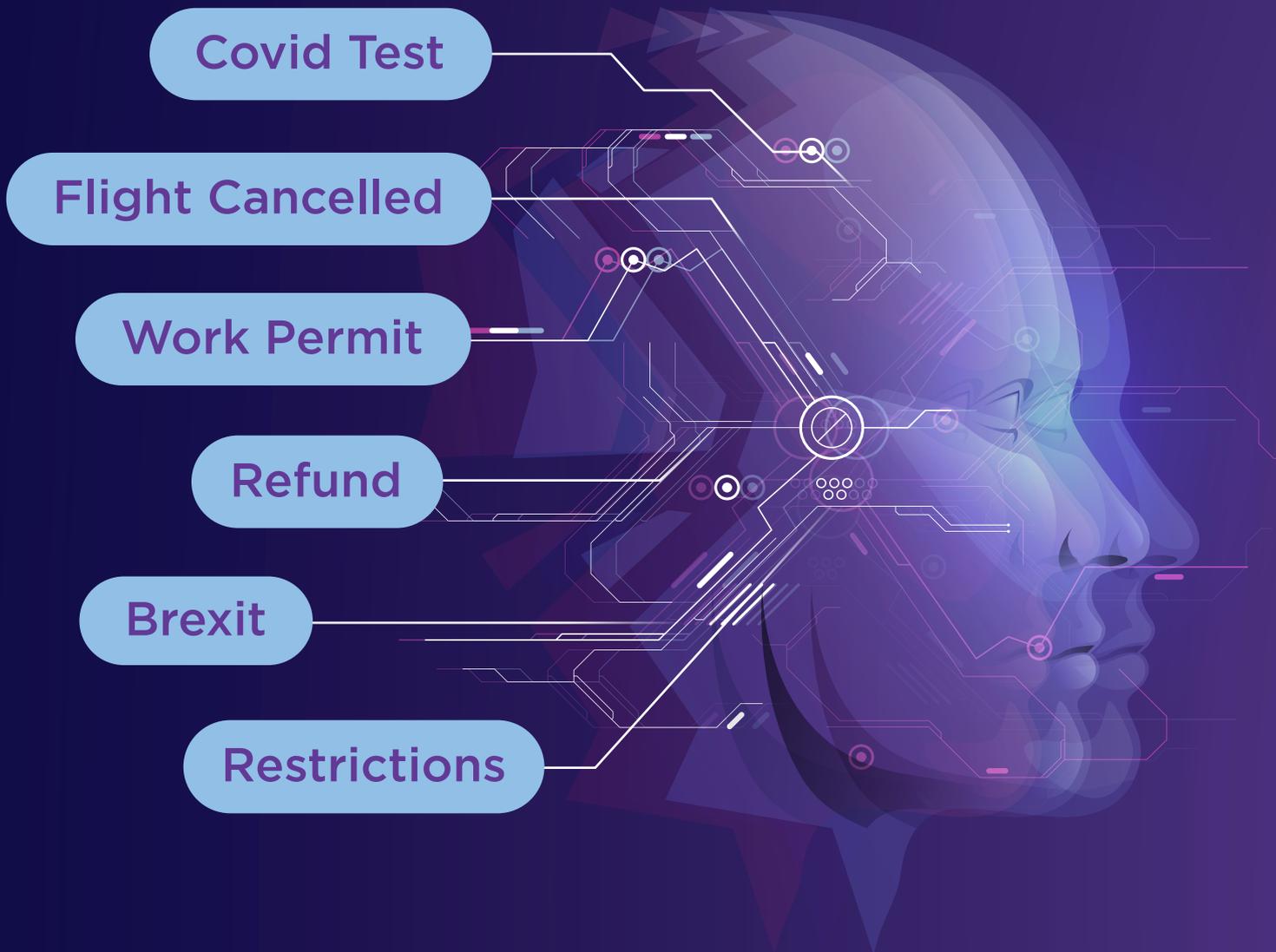


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Thursday 9 September 2021

# TABLE BOOKINGS NOW OPEN

BRINGING THE BUSINESS TRAVEL COMMUNITY BACK TOGETHER

The shortlist for the Business Travel Awards Europe 2021 has now been revealed, with judges having identified the contenders across 22 categories. The awards ceremony will truly be a night to remember as we bring the business travel community back together to celebrate its achievements over the last 12 months.

BOOK NOW AT  
[businesstravelawardseurope.com](https://businesstravelawardseurope.com)

We look forward to welcoming you back to the awards gala dinner at the **JW Marriott Grosvenor House London** on **Thursday 9 September 2021** and celebrating our industry once again.



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The Beat



# 4 SIGHT

## THE RAIL BOOKING PLATFORM

### Champa Magesh

President, Trainline Partner Solution



**Business travel** is not going to look the same post pandemic and the traditional 'four hour' threshold is already beginning to shift as we appreciate the benefits that greener and slower modes of transport have to offer. Attitudes towards long-distance train travel have evolved and our research indicates that when journey times are similar, 90 per cent of UK employees who travel for work would prefer to take the train

over flying or driving due to more luxurious train services and faster rail options. We are also seeing the resurgence of the night train which has the potential to become a new alternative to flying. Our research suggests that employees now prefer to travel by rail for a variety of reasons, but it's also clear that businesses are more accountable for their carbon emissions and leaders are aiming to reduce their footprint.

## THE TMC

### Josh Collier

Head of proposition rail & ground transport, Agiito



**I expect** to see rail travel become the favoured method of transport in policies as customers look to meet ambitious green targets and, to achieve these targets, four hours will no longer be enough of a specified journey limit. Unless you are travelling from London to Eurostar destinations, most destinations will be over that limit. What could happen is a hybrid approach, where travellers are encouraged to take a train in

one direction or are incentivised to do so by being allowed to upgrade for some or all of their return journey. Sleeper trains are becoming more commonplace in Europe as well and where an overnight stay is required this presents a viable, cost effective and greener alternative to flying. Whether this will become commonplace though will likely depend on policy mandation and individual circumstance.

Long-distance rail travel has been touted to take market share from airlines as business travel recovers, but will the traditional 'four-hour threshold' – above which corporates are more inclined to fly – still stand?

## THE BUSINESS TRAVEL CONSULTANT

### Raj Sachdave

Managing partner, Black Box Partnerships



**The four-hour** window has already been breached. Pre-pandemic there was growing social pressure to consider rail over air for a number of reasons, ultimately driven by business culture to "do good". Couple this with the desire to take on more meaningful business trips and reduce traveller anxiety, and rail travel is a super way to hit the productivity, sustainability and social demands many travellers

expect to see and feel today. Across Europe rail operators are introducing sleeper services (moving hotels), collaborating further, creating new levels of customer experience, and availability and freedom to access content is at an all-time high. Travellers are also prepared to enjoy end-to-end travel with fewer touchpoints, and if that means staying put for closer to five hours that's okay

## THE RAIL BOOKING PLATFORM

### Peter Koukoularides

Business development manager, Evolvi



**With sustainability** now very much the key focus going forward, this could certainly trigger corporate organisations to consider a switch away from air to rail for longer journeys and especially those of four hours or more. With many operators having introduced new and more eco-efficient rolling stock, and other incentives in the UK – such as the new standard premium class from Avanti West Coast and

LNER introducing new timetables to reduce journey times to key destinations – these may also contribute to enticing business travellers to take the train rather than the plane. The Evolvi system has long provided TMCs and their corporate clients full carbon emissions information and reporting in order to promote an informed choice when they are considering the mode of travel for a specific journey.

# Capita adopts new identity

Capita Travel and Events has unveiled a new name and identity that consolidates the Capita and NYS brands under one brand, Agiito. The TMC, named the tenth largest in the UK in Europe's Leading TMCs 2021, says the new identity unites its "extensive experience, people, values, personality and culture".

James Parkhouse, CEO of Agiito, says: "Over the years our people, culture, products, services and propositions have evolved to represent far more than a traditional travel management company."

Neal Poole, director of marketing, adds: "We continue to be a UK specialist in managing travel, meetings and events, that can also work on a global scale. By prioritising behavioural insights, wellbeing and sustainability, we make a real difference to the ways people connect."



## Travel managers facing increased workload

More than half of German travel managers say the amount of time required to carry out their work has increased due to the effects of the coronavirus pandemic, according to a survey by the German Business Travel Association (VDR). The report also found 44 per cent of respondents say they feel that more business trips are urgently needed. One in eight companies (12.7 per cent) said that they believed the number of business trips in the future would be 30 to 50 per cent lower than pre-pandemic travel volumes.

## Listen up

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### In conversation with...

- David McNeill, AVP global corp. sales EMEA, Enterprise
- Glenn Hogben, CEO, Air Charter Association
- Simone Buckley, VP of EMEA marketing, TripActions
- Julia Lo Bue-Said, CEO, Advantage Travel Partnership

### Week in Review

- Is the future of business travel offline or online?
- Is it time to change your TMC?
- Working with the supply chain on sustainability goals
- Who's buying whom? TMC consolidation gathers pace



## CTM & DELTA STRIKE SUSTAINABLE FUEL AGREEMENT

Corporate Travel Management has signed a three-year agreement with Delta Air Lines to buy sustainable aviation fuel, the carrier has announced.

The terms and amount of fuel involved in the agreement was not disclosed, but Delta said over three years it would cut lifecycle emissions of carbon dioxide by 209 metric tonnes, the equivalent of the work of 256 acres of forest. Delta has signed sustainable

aviation fuel agreements with other travel management companies and corporate partners – including BCD Travel, CWT, Deloitte, Nike and Takeda – but the agreement with CTM is the first to span several years, according to Delta. The World Economic Forum, meanwhile, has developed a new accounting tool to help claim emission reductions related to the purchase of sustainable aviation fuel.



## Emirates announces Travelport deal as GDS surcharges kick in

Emirates has announced a commercial agreement that will allow travel agencies connected to Travelport to avoid the airline's surcharge on bookings via global distribution systems (GDS) that came into effect at the beginning of July. The airline announced in February that it would introduce charges of up to US\$25 for bookings made through GDSs.

Travelport-connected agencies can gain simplified access to Emirates' NDC content and services via Travelport Smartpoint and the airline APIs once the agencies sign new NDC-specific agreements with both companies. Adnan Kazim, Emirates' chief commercial officer, said travellers would benefit from "highly personalised offers" and travel agencies "even better and more bespoke services".

The two companies have also agreed a new long-term agreement to enable the distribution of Emirates' NDC content via the Travelport+ platform and an extension to their longstanding IT agreement.

## TravelPerk snaps up UK's Click Travel

Travel management platform TravelPerk has acquired the UK's Click Travel in a deal funded by Boston-based investment manager The Baupost Group. TravelPerk claims the deal – which includes Click's employees, technology and customerbase – establishes it as “the leading travel management platform for the SMB market globally and for the UK as a whole”. It says the two TMCs share a “future-focused, tech-driven approach to travel management”. Birmingham-based Click Travel handles more than £300 million in business travel for over 2,000 small and midsize-sized businesses and was ranked the UK's 12th largest business in Europe's Leading TMCs 2021. TravelPark was named 21st largest in the UK and seventh largest in Europe.



### Swiss unveils premium economy offering

Swiss has unveiled further details of its new premium economy offering as it opens bookings for travel in the new class. The fourth cabin will be installed on the first of its long-haul Boeing 777-300ERs by the end of the year, with all 12 of the fleet to be fitted out by April 2022.

The class will feature 24 seats with a 99-centimetre seat pitch – compared with 78.7 in economy – and is between 46 and 48 centimetres wide compared with 43.4 in economy. The seat reclines but is integrated into a fixed backshell. Each seat has a 15.6-inch screen and an in-built USB-A socket. One-way fares will be around CHF 250 to 350 (£200 to £235) higher than its economy equivalent.

### Flight Centre merges SME divisions

Flight Centre Travel Group (FCTG) is to merge its Flight Centre Business Travel (FCBT) and Corporate Traveller SME operations in three countries: the UK, South Africa and Canada.

Corporate Traveller has around 2,500 SME customers with an annual business travel spend of £50,000 to £4 million. FCBT has around 2,000 SME customers who typically spend £50,000 to £1 million per annum on corporate travel. It has 135 employees in operations, account management and sales who will transition to Corporate Traveller.

Steve Norris, MD EMEA, FCTG, said, “It made business sense to bring these two brands together so that we can focus on investing in our overall SME offering to enrich the customer experience.”



### EU LAUNCHES DIGITAL COVID CERTIFICATES

The European Union's digital Covid certificate regulation came into force on 1 July, enabling EU citizens and residents to have their proof of Covid vaccination, testing and recovery issued and verified across the bloc. Ahead of the full launch, 21 EU states, as well as EEA members Norway, Iceland and Liechtenstein, had already started to issue certificates.

EU president Ursula von der Leyen said: “The European digital Covid certificate is a symbol of an open and safe Europe that is opening cautiously and putting the protection of the health of our citizens first. We promised to have an EU-wide system.. by the summer. Now we can confirm that the EU digital Covid certificate system is up and running.”

### Decision to travel is in the hands of employees

A survey of 100 Nordic companies by the travel buyer associations of Denmark, Sweden, Finland and Norway has found 82 per cent of companies say they will allow travellers to say no to travelling when business trips resume. Almost 60 per cent of those responding to the survey – the third that the associations have carried out since the outbreak of Covid – said they had changed their travel policy as a result of Covid. Despite the challenges, 30 per cent of the organisations polled said they are running their normal RFPs during 2021. Asked what additional services they would like their TMC to offer, buyers said they wanted support on Covid travel regulations as well as wanting their TMCs to keep track of Covid refunds.

## Guest appearances

Head online to discover expert insight from recent guest columnists

**Delivering the right information for anxious travellers** *How to properly prepare employees without scaremongering as corporates get ready to travel again* • By Karen Abbott, head of global corporate account management, ATPi

**Covid's impact on socio-economic instability** *Old business haunts could harbour new risks in a post-pandemic world* • By Frank Harrison, regional security director for the UK and North America, World Travel Protection

**Meetings and events have irrevocably changed** *Industry must accept that dual live and virtual delivery is the new normal* • Sonia Michaels, head of business travel services and events, The Advantage Travel Partnership

# BEAT BOX

The BTN editorial team provide their take on the key developments in their respective business travel beats



## Industry takes action ahead of restart

BY MARK FRARY  
digital editor, BTN Europe

**THE** travel industry is a sociable one and it is natural for those who work in it to get together and have some fun. However June's Travel Day of Action in London felt far from natural and while many afterwards said how much fun it was, the hundreds of people who descended on the Houses of Parliament were there on a deadly serious matter.

Rival TMCs, airlines and others in the sector do often attend the same events but there is always an invisible barrier between them. Yet on College Green, those barriers were lowered even as social distancing measures were observed. They had come to lobby the country's politicians on the very survival of the industry.

As we go to press, international travel is starting to reopen but whether it will do so enough to enable companies to survive is another matter. If more travel companies do fold, as seems likely, then it will not be the fault of its greatest asset: its tireless, talented and – yes – sociable people.



## Operational turbulence

BY MICHAEL BAKER  
executive editor, transportation

**WITH** hopes still high that business travel will begin to rebound in earnest this autumn, travel buyers might also want to begin bracing their travellers for disruption as airlines adjust to busier schedules.

Airline network growth announcements have been rolling in over the past several weeks, but so have signs of potential operational challenges. Take the United States, where leisure travel's rebound pushed security checkpoint volumes to about 75 per cent of what they were in 2019. As that happened, some carriers – American Airlines and Southwest in particular – have had to make schedule adjustments and cancellations, with reported staffing shortages.

Airlines still have a few more months to address training for pilots who have not flown for several months and other potential issues prior to the expected business travel bump, but business travellers shouldn't be surprised if there are a few more operational hiccups than usual when they return to the skies.



## Preparing travellers for service changes

BY DONNA M. AIROLDI  
senior accommodation & meetings editor

**THE** hospitality labour shortage affecting Europe and the UK, coupled with operational and brand standard changes at hotel companies that took effect during the Covid-19 pandemic, mean corporate travellers are going to face a new reality as they return to the road when it comes to accommodation services.

Daily housekeeping now will be an option at many properties, there might not be enough front desk staff to efficiently address guests' problems or requests, and some hotels may not be fully operational, with restaurants and bars remaining closed or open only on a limited basis.

The initial reaction may be one of complaints from travellers reaching corporate travel buyers. One way to diffuse this situation is to communicate as early as possible what the changed landscape will look like to reset traveller expectations.

Will these service changes last? It depends on traveller demand. Less housekeeping is being pitched as a plus for sustainability. And to attract staff, hotels are raising wages, which is good for workers – but it means rates are likely to follow.



## An integrated approach to risk

BY ADAM PERROTTA  
tech & payments editor

**PRIOR** to Covid-19, tools and services designed to assess corporate travel risk traditionally existed as standalone platforms designed to be used by travel managers. But as travel resumes, that siloed approach seems destined to be replaced by a more unified model that integrates risk scoring into the booking flow, enabling travellers themselves to leverage dynamic, up-to-date data to make more informed decisions about the safety of a given trip.

That principle was behind several recent rollouts, including an enhancement of American Express Global Business Travel's Neo online booking tool, which will now automatically present relevant Covid-related travel guidance during the booking process. GDSs are adding such capabilities too; Sabre now enables API integration with Gopass Global's risk scoring tool to arm agents – and in turn, their traveller clients – with in-booking information on risk factors.

With travellers widely expected to take a more active role in ensuring their health and safety while on the road, in-booking risk monitoring tools are likely to become a cornerstone of the industry's post-pandemic era.

# LOUD & CLEAR

## Old travel haunts can harbour new risks

“ Business travellers visiting new destinations in the coming months – or returning to old haunts – could be faced with heightened risk considerations, particularly in the Global South. One concern is a high unemployment rate among local populations and therefore a rise in criminal acts stemming from desperation.

With fewer tourists, the likelihood of business travellers becoming targets of opportunistic criminal acts has increased. In jurisdictions where law enforcement effectiveness is less disciplined, officials can be susceptible to corruption too. It is not enough for travellers to understand the local law; they also need to be aware of the ‘spirit’ applied to rules by local law enforcement and government security forces in conflict-prone destinations.

Those countries that have been badly affected by Covid may be less inclined to forgive a traveller if they are slow to adapt to local rules, or even resent the presence of a foreign traveller during a security lockdown.

Travel will always be an essential part of NGO programme delivery, academic life, and general business activity for many organisations. They all have a duty of care to educate their business travellers about changes to their destination before they travel, to be able to locate them at all times, to monitor and act on global events as they occur, and to communicate regularly to inform them of any risks.

”

**Frank Harrison**, regional security director for the UK and North America at World Travel Protection, explains how the pandemic adds new elements of risk in the Global South





# TIME TO CELEBRATE

With the shortlist revealed, the countdown to the **Business Travel Awards Europe** is on...

**T**he Business Travel Awards Europe 2021 will reunite the industry on 9 September and recognise the achievements of suppliers, buyers and TMCs following a period of unprecedented disruption.

Organised by the BTN Group, this year's awards will recognise those companies that have best demonstrated leadership, partnership and innovation during what has been an extremely challenging time for all operating in the business travel industry. Among the 22 awards are several new accolades with a strong focus on suppliers' and agencies' response to the Covid crisis.

Entries for the awards have been assessed and scored by a panel of leading business travel managers and independent consultants (see below), to whom the BTN Group is grateful for their time, input and expertise. Judges will convene in the summer to together identify the winner in each category.

The BTN Group wishes to thank everyone who entered and congratulate all those who have been shortlisted. In these challenging times for the industry, it has been heartening to see such incredible submissions and the achievements of so many brilliant suppliers.

## KEY INFORMATION

The awards ceremony takes place on  
**Thursday 9 September at  
JW Marriott Grosvenor House, London**

For **table bookings** visit  
[businesstravelawardseurope.com](https://businesstravelawardseurope.com)

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# SHORTLIST

## Travel Partner of the Year - Hotel Brand

Hilton Hotels and Resorts  
Melia Hotels International  
Premier Inn  
Radisson Hotel Group  
Wyndham Hotels and Resorts

## Travel Partner of the Year - Serviced Apartment Provider

The Ascott  
Edyn  
Frasers Hospitality  
Roomzzz Aparthotels  
Stacycity

## Accommodation Innovation

Edyn Portal  
National Corporate Housing - Single Source Solution  
SilverDoor Apartments - Orbi  
Synergy Global Housing - Synergy Smart  
TRIPBAM - Smart Sourcing  
Wyndham Hotels and Resorts

## Travel Partner of the Year - European Airline

British Airways  
Easyjet  
Virgin Atlantic Airways

## Travel Partner of the Year - Global Airline

ANA - All Nippon Airways  
Cathay Pacific Airways  
Delta Air Lines  
Qatar Airways

## Travel Partner of the Year - Mobility Provider

Avis Budget Group  
Enterprise  
Sixt

## Travel Partner of the Year - Chauffeur/Taxi Provider

Addison Lee  
Blacklane  
Brunel Carriage  
Free Now for Business  
Minicabit  
TBR Global Chauffeuring

## Travel Partner of the Year - Rail Operator

Avanti West Coast  
Heathrow Express  
London North Eastern Railway (LNER)  
TransPennine Express

## Technology Innovation - Traveller Experience

American Express Global Business Travel - Travel Vitals  
Agiito - Covid Shield  
CIBTvisas - Entry Guide  
PPHE Hotel Group - Contactless Services  
Travelport - Travelport+

## Technology Innovation - Corporate Booking Platform

American Express Global Business Travel - NEO  
Click Travel Booking Platform  
Corporate Travel Management Europe - Lightning  
TapTrip - Vessul  
Travel Centric Technology - HotelHub  
TravelPerk Booking Platform

## Technology Innovation - Payments and Expenses

American Express Global Business Travel - Neo1  
AirPlus International - Virtual Cards  
HRS Group - Invisible Pay  
UATP - Credit Solution

## Travel Partner of the Year - European TMC

Agiito  
Click Travel  
Gray Dawes Travel  
Travel Counsellors for Business

## Travel Partner of the Year - Global TMC

American Express Global Business Travel  
ATPI  
BCD Travel  
Corporate Travel Management  
TripActions  
Wings Travel Management

## Travel Partner of the Year - Meetings and Events

American Express Meetings and Events  
Agiito  
CWT Meetings and Events  
Hilton - EventReady  
Reed and Mackay Events  
Your Event Solutions (YES)

## Technology Innovation - Meetings and Events

Cvent - Attendee Hub  
Meetingsselect  
TroopTravel - TROOP Meetings Platform

## Achievement in Environmental Sustainability

Air France - KLM  
American Express Global Business Travel  
Cathay Pacific Airways  
Delta Air Lines  
Frasers Hospitality  
Hilton

## Achievement in Diversity, Equity and Inclusion

American Express Global Business Travel  
Hilton  
London North Eastern Railway (LNER)  
TapTrip

## Outstanding Contribution to Business Travel

Clive Wratten, *CEO, The Business Travel Association (BTA)*  
Julia Lo Bue-Said, *CEO, Advantage Travel Partnership*  
James Parkhouse, *CEO, Agiito*  
Matthew Holman, *Owner and Founder, Simpila Mental Health and The Business Travel Wellbeing Community*

## Account Management Team of the Year

Addison Lee  
Click Travel  
IHG Hotels and Resorts  
SilverDoor Apartments

## Travel Buyer of the Year

Andrew Carne, *Global Procurement Manager - Meetings and Events, bp*  
Phil Clarke, *Senior Procurement Manager, BBC*  
Richard Eades, *Global Category Manager, bp*  
Calum Hawley, *Global Travel Manager, Endeavour Mining*  
David Short, *Contract Manager (Global Procurement), National Grid*  
Deborah Short, *Head of Global Travel, Meetings and Payment, GlaxoSmithKline*

## Travel Team of the Year

bp  
BT Group and Amex GBT  
G4S Travel Team and ALTOUR  
ITN and Reed and Mackay  
Ministry of Defence - Defence Travel Team and Amex GBT

## Covid-19 Crisis Response

Addison Lee  
ATPI  
The Business Travel Association (BTA)  
Enterprise  
Festive Road  
HRS Group  
United Airlines

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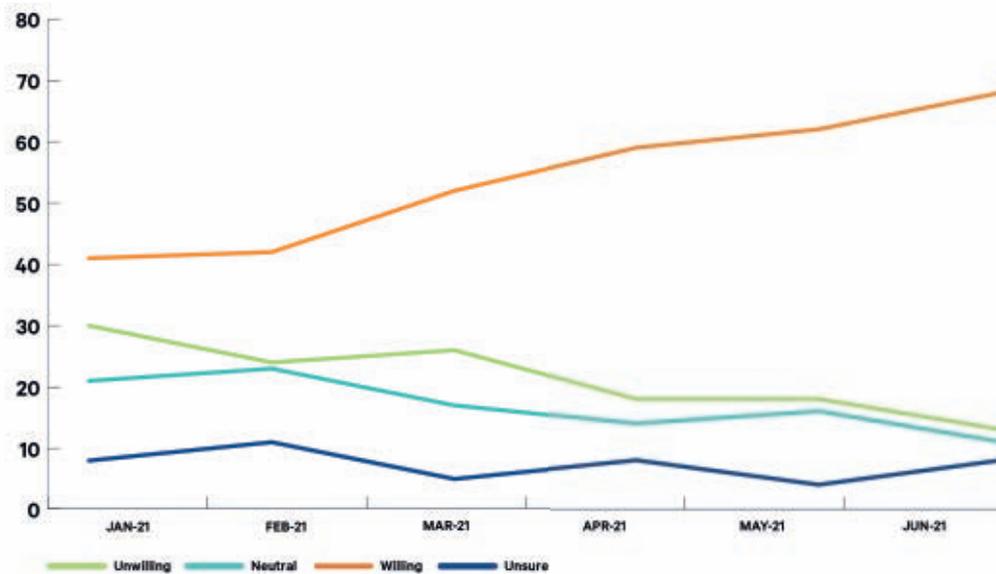


# ON THE ROAD AGAIN...?

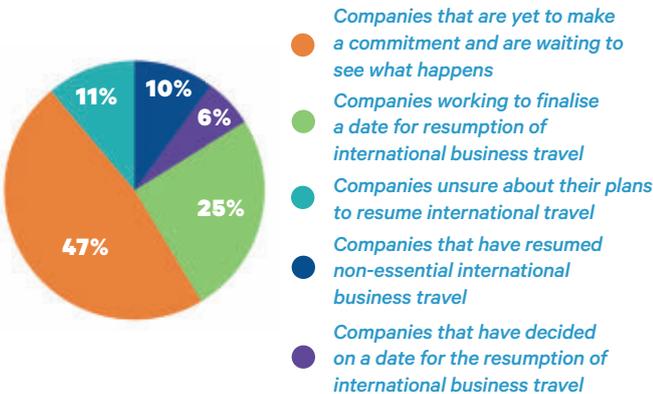
Hopes of meaningful business travel recovery had been pinned on Q3 of this year, but will it become a reality? New research suggests European travel managers believe employees are increasingly happy to hit the road

## WILLINGNESS TO TRAVEL

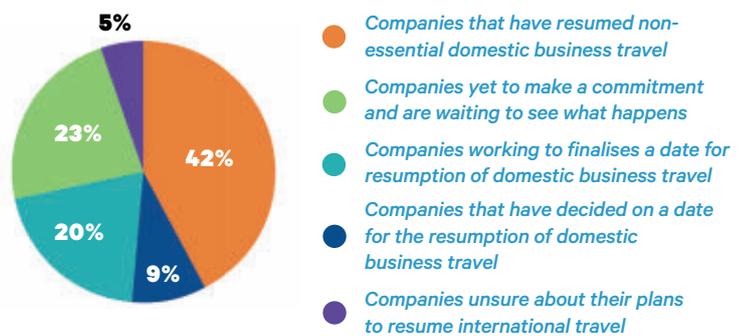
Do European travel managers think their company's employees are ready to travel? Willingness to hit the road has steadily grown in 2021 from 41% to 68%. At the same time, those who believe staff are unwilling to travel has fallen from 30% to 13%



## INTERNATIONAL TRAVEL

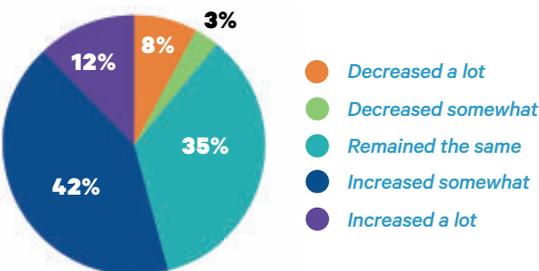


## DOMESTIC TRAVEL

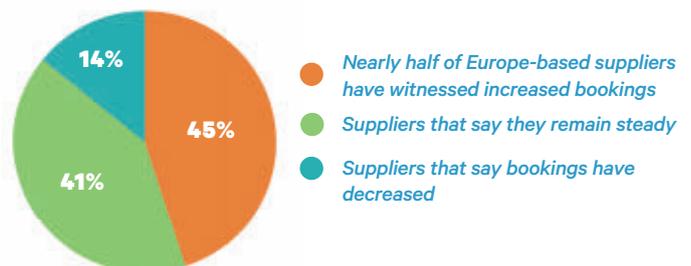


## TRAVEL SPEND

More than half of corporates say their business travel spend increased in June



## SUPPLIER SENTIMENT



Source: GBTA Coronavirus Poll conducted 7-13 June and incorporating 125 responses from Europe-based travel professionals.

# DOMESTIC BENEFITS

The world's 20 busiest airlines in May were without exception those able to take advantage of large domestic markets, namely the USA (seven airlines), China (nine), India (one), Russia (one), Turkey (one) and Australia (one). (Source: OAG)

1. American Airlines	11. Shenzhen Airlines
2. Delta Air Lines	12. JetBlue
3. United Airlines	13. Hainan Airlines
4. Southwest Airlines	14. Xiamen Airlines
5. China Southern Airlines	15. Sichuan Airlines
6. China Eastern	16. Aeroflot
7. Air China	17. Turkish Airlines
8. Alaska Airlines	18. Shandong Airlines
9. China Express Airlines	19. Spirit Airlines
10. IndiGo	20. Qantas Airways



Global air capacity in May was 41.3% lower than in May 2019. Western Europe is furthest behind with seats still only a quarter of pre-pandemic levels.

Source: OAG



May saw Europe's seat capacity grow 8.1% versus April, the fastest growing region globally over this period

Source: OAG



Business trips from and within the UK in the third week of June were down 91% compared to 2019 pre-pandemic levels, costing the UK economy £5.65 billion in GDP

Source: BTA & Travelogix



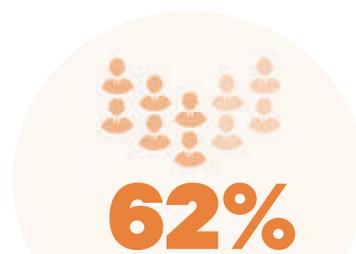
The number of people working in the UK travel industry who have either lost their job or are at risk of doing so due to the Covid-19 crisis

Source: ABTA



The number of new aircraft ordered by United Airlines in June, the largest order in the airline's history and the biggest by a single carrier in a decade

Source: United Airline

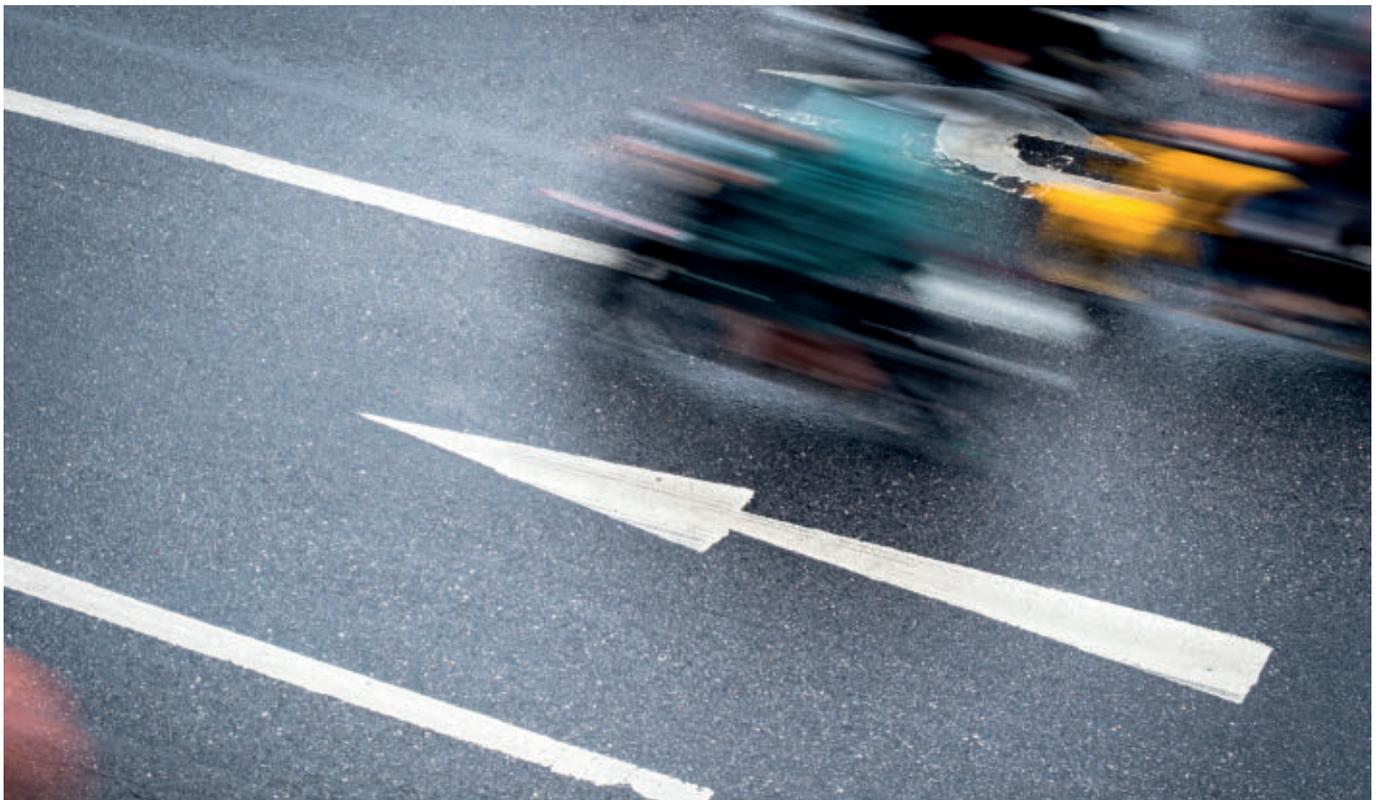


Six in ten travellers would take up new 'pay as you fly' options where available to reduce exposure to cancellations and refunds processes

Source: Amadeus

# NEW DIRECTIONS

Ground transport is helping to drive the return of business travel as the world emerges from the pandemic, but what impact will this have on travel policy? **Rob Gill** reports



If the Covid-19 pandemic has taught us anything, it's that flexibility is a key element of any form of business policy and this has certainly proved true for the management of ground transport.

Not that 2020 is a boom year for car rental. Car hire companies are "having a hard time," says Nicolay Nedrelid, France-based founder of the car rental consultancy Nedrelid Corporate Advisory. "Car rental is closely linked to air travel and when that's down 90 per cent, rental is affected too," he says.

While all elements of corporate travel have been ravaged during the past 16 months, the decline in ground transport usage (excluding rail) has been far lower in percentage terms than air travel.

American Express Global Business Travel notes the share of air travel transactions in Europe has fallen from 70 per cent to 50 per cent, while the share of ground transport has risen from 30 per cent to 50 per cent since the start of the crisis.

The appeal of using ground transport as business travel resumes is straightforward from a health and safety perspective, with travellers

able to ensure social distancing in the "bubble" of their own or company vehicle, hire car or even a taxi or chauffeur-driven journey.

Josh Collier, head of proposition rail and ground transportation, at Agiito (formerly Capita Travel and Events), says while rail has suffered huge drops in passenger numbers of up to 80 per cent due to "nervousness about social distancing", other forms of ground transport have only fallen by 45 per cent.

But to accommodate this shift from air and rail to the road, organisations have moved to "relax" their travel policies – at least in the short-term. "One customer said if you need to travel – use cars," adds Collier. "It's probably mostly the grey fleet with people using their own cars. There's definitely been a more relaxed policy on the grey fleet."

## COMING INTO FOCUS

Ground transport has often been a subject that falls through the cracks of travel policies, which have traditionally focused on higher spending categories of air and hotels. But there are signs this is changing. Scott Davies, CEO of the Institute of Travel Management (ITM), says its members are

now spending more time looking at ground transport policies than they did pre-Covid.

“Firstly, because they had more time and the opportunity to review policies while business travel volumes are suppressed; and secondly because ground transport is one of the areas where travel is expected to return more quickly,” he adds.

Davies says buyers are looking for ground transport providers who can “aggregate” a variety of options encompassing car rental, ride-hailing and the grey fleet, as well as new options such as bike hire and e-scooters.

“By increasing the choice of solution, buyers are able to increase adoption and compliance; and have more effective control, reporting and visibility of their entire ground transport programme,” adds Davies.

One European-based buyer admits ground transport has previously “not been much of a focus” due to its relatively low amount of spend compared with air or hotels. But adds: “This is definitely an area we will look to address as we come out of Covid”.

#### **INCREASING FLEXIBILITY**

Many corporates have chosen to temporarily amend travel policy around ground transport to deal with the challenges thrown up by resuming travel while Covid remains a factor and employees have understandable health concerns.

Examples have included dropping the requirement to always travel by train (rather than road) for journeys of a certain length, as well as allowing car rental to

“

**Looking ahead, the strong client interest in rail travel suggests that rail volumes will continue to expand relative to air**

be used more widely to give reassurance to travellers concerned about taking public transport.

“We are seeing more clients doing road trips to avoid public transport and have their own flexibility,” says Ian Currington, Gray Dawes’s director of account management and client implementation. “There is no defined policy change, but this is more of a temporary user-led change.”

Most agree these changes are likely to be temporary, with a return to rail set to be one of the first corporate travel trends as vaccination rates rise and restrictions are lifted around Europe.

“When we look at current transaction volumes across Europe, we see that rail is recovering faster than air,” says Adrien Cannes, consulting manager for GBT Global Business Consulting. “This could be because the first wave of returning travel is largely domestic, where rail predominates. But looking ahead, the strong client interest in rail suggests that rail volumes will continue to expand relative to air.”

#### **NEW NORMAL?**

The nature and format of “face-to-face” meetings that organisations can practically hold will also shape ground transport policies.

Rob Coomer, senior director, global customer management at CWT, says ground transport will be important with “hybrid” business events, combining physical and virtual elements, set to become the norm for a while.



“With hybrid events now filling the ‘in-person global conference’ void, inevitably flight needs have reduced and localised travel via ground transportation has increased, specifically train and/or self-drive with a rented car,” he adds.

Whatever the short-term considerations, there is general agreement that sustainability will be more important post-pandemic with increased focus on reducing emissions and this is going to be reflected within travel policies.

In this context, emissions-friendly rail travel is set to become even more important across Europe. It’s worth noting the French government’s bailout of Air France came with a condition to cut domestic flights on routes where there are existing alternative high-speed rail services.

The increase in the importance of self-drive and taxis may be short-lived as more cities and countries impose stricter emissions and anti-congestion regimes – not to mention corporates’ own emissions reduction targets.

Policies are also going to have to include more forms of transport – GBTA research found newer options, such as hiring bikes or e-scooters, were only addressed in less than 50 per cent of travel policies in Europe.

Traffic congestion was one of the first things to return to major European cities after the initial stages of the pandemic. “The roads are beginning to be at capacity – people will spend their life in traffic jams and that’s not productive,” adds Agiito’s Josh Collier.

Ground transport’s time may finally have arrived and being flexible enough to adjust to these trends will be crucial to ensuring the policy is on the right road or track.

“

**Car rental providers have made good progress in providing electric vehicles, but they can’t guarantee that one is available for rental in all locations**

## THE SUSTAINABILITY AGENDA

Wistful memories of smog-free skies during the pandemic mean dirty diesel cabs and other less green forms of transport are under the sustainability spotlight, *writes Gary Noakes.*

Electric and hydrogen powered vehicles have now joined train travel as the preferred modes of transport by many corporates, with the pandemic seeming to have accelerated this trend.

There are now more than 1,500 companies signed up to the Science Based Targets carbon reduction initiative, a pledge to reduce emissions to a level required to keep global warming to 1.5-2C below pre-industrial levels. The pressure is from corporates, with, for example, EY declaring net zero ambitions by 2025.

Buyers are responding; a BTN survey in early 2021 found 70.7 per cent of travel managers are “personally concerned” about their company’s carbon footprint and 31 per cent are tasked with seeking sustainability-orientated suppliers.

ITM chief executive Scott Davies said sustainability was “definitely an area being covered in ground transport supplier RFPs”.

“It’s no longer a box ticking exercise. Corporates need to see evidence that providers are walking the walk and adopting sustainable business practices.”

It’s a view echoed by TMCs. Click Travel’s operations director Chris Vince said sustainability “is absolutely key and a buzzword”.

Vince said Click helped by “behavioural nudging” on booking tools with pop ups advising lower carbon alternatives that bore the corporate’s own branding.

He also accepts Covid has changed travel patterns but cautions about a wholesale move such as “suddenly making a shift to doing Scotland to London by train in a day or overnight instead of flying”. He adds: “It’s just time and money. It’s a very delicate balance.”

Trains were accepted as the eco-alternative to flying pre-Covid – and now we are emerging from the pandemic just as electric road vehicle use seems to be reaching a pivotal point.

Vince has noticed a definite shift towards electric and hybrid car hire. “More and more we are seeing requests for hotels with electric charging points,” he explains.

However, Davies said there remained a supply issue. “Car rental providers have made good progress in providing electric vehicles, but they can’t guarantee one would be available for rental in all locations. Buyers need to see a greater breadth of offering in locations outside of London for example.”

Davies highlights another problem: “There are major concerns among travel managers and travellers about the readiness of the charging network.”

## KEY GROUND TRANSPORT POLICY TRENDS

- Corporates have relaxed travel policy around ground transport to help employees feel safer when travelling during the crisis.
- Self-drive and taxi services have seen smaller declines than air and rail travel due to their ability to ensure socially distanced “bubbles”.
- Buyers are looking to manage ground transport more closely as travel resumes, including health and safety considerations, and using preferred suppliers.
- Rail is set to bounce back post-Covid due to its lower emissions and employees returning to offices and client meetings.
- Travel policy may increasingly have to address new forms of ground transport, such as bikes and e-scooters.



## Business Travel Show Europe returns in-person to reunite the European travel industry

**B**usiness Travel Show Europe returns as an in-person event this autumn to reunite the European business travel community and provide a platform for face-to-face networking and collaboration ahead of the industry's post-pandemic recovery.

Buyer, speaker and regular attendee, Jafles Pacheco, head of indirect material spend at Oerlikon, said, "I am truly happy the event is going ahead in-person this year; I can't wait to meet old and new friends from the business travel industry at the event."

Taking place from 30 September – 1 October 2021, Business Travel Show Europe 2021 will run in-person in a Covid-safe environment at ExCeL London with supplementary online content, including educational sessions and buyer/exhibitor networking for those who are unable to attend.

Over 1,000 corporate buyers and 170 suppliers are expected to attend, including Egencia, CTM, easyJet, BCD Travel, Capita Travel and Events, Booking.com, FCM, TripActions, Clarity, GETT, TravelPlanet, GWR, Travel Counsellors, ATPI, Blacklane, Riskline International SOS and more.

Business Travel Show Europe also returns with a two-day, free-to-attend conference programme – with content delivered by the BTN Group – tackling the big issues of the day, including post-pandemic recovery, sustainability, behavioural economics, technology, TMC contracting and traveller wellbeing.

Keynotes, the hosted buyer masterclasses and fundamental sessions will be held in-person while additional sessions will be available to watch online and on-demand.

• *Free visitor registration is open now at [businesstravelshoweurope.com](https://businesstravelshoweurope.com)*

### NEW FOR 2021

New features joining the Airline and International Hotel Pavilions include the Ethical Travel Trail, highlighting exhibitors championing sustainability, diversity, equity and inclusion; the Wellness Clinic, where buyers can meet and hear from suppliers of wellness products and services; Business Travel Innovation Faceoff, featuring eight disruptors and their new products; and The BTN Innovation Zone, showcasing the most innovative products introduced over the last two years.



Business Travel Show Europe 2021 takes place at ExCeL London on September 30 & October 1



# RIGHT ON TIME

Rail travel is evolving; so are business travel patterns. **Nick Easen** reports

**S**igns of a rail renaissance are everywhere. Maybe it's because 2021 is the European Year of Rail, but other portents of change are in view. In the same year the UK hosts the COP26 climate summit, all eyes are on sustainable forms of transport. Many more are also aware of the Greta Thunberg-inspired flight-shaming movement. In a post-Covid, Zoom and ESG-conscious era, rail travel simply makes more sense.

According to research by Swiss Bank UBS, the Coronavirus crisis could accelerate the shift of passengers from air to rail, post-lockdown, contributing to greater than expected growth in the rail sector across Europe in the next ten years.

"There's a growing appetite amongst travel managers to look at rail as a viable option for short-haul, direct air routes, to help drive the sustainability agenda," explains Catherine Logan, regional vice president for EMEA at the Global Business Travel Association (GBTA). "Yet the challenge remains around multiple operators and disparate systems hindering a seamless booking process," she adds.

Rail's bright future doesn't yet translate into vastly more tickets for business travel, even though trains have lower emissions than other forms of transport. They may also be a no-brainer for short to mid-length trips – city centre to city centre trips where passengers can be productive on-board with wifi connectivity. But the offering isn't quite there yet.

"The big issue is that rail needs to recognise the importance of the corporate sector and the supply chain, including TMCs, as well as the end customer. The rail industry is too inward looking and has a weak record of customer-centricity. This needs to change," details Clive Wratten, CEO of the Business Travel Association (BTA). "We also need a seismic shift in collaboration between European and UK rail operators to make booking simpler and more effective."

A number of UK train operators have engaged directly with the travel industry over the last 18 months. The pandemic and the precipitous decline in all travel was a catalyst. "Train operators have showed an impressive commitment and investment in challenging circumstances," states Scott Davies, CEO of the Institute of Travel Management (ITM).

“Further integration of booking technology with existing travel and expense tools would also be beneficial, along with a sustained investment in product developments like better wifi and touchless ticketing.”

This is echoed elsewhere in Europe. “In Sweden there is a challenge with booking and payment. It is far too complicated and expensive to use TMCs for rail reservations. The GDSs are incorporating more rail in the display, but it needs to be easier. Processes are not automated and connected to the extent they need to be,” states Lotten Fowler, general manager for the Swedish Business Travel Association.

### TRAVELLERS EXPECT MORE FROM RAIL

The consensus is that in many countries the customer experience still falls short of expectations. “This is true of both corporate travellers and buyers, particularly when it comes to providing an end-to-end experience. These challenges can be overcome,” says Jason Geall, senior vice president and general manager Europe at American Express Global Business Travel. “This is why we created the Rail for Business Forum to bring together key partners from the rail industry with clients.”

A number of major developments are likely to help

“  
In Europe, we can see that rail is being actively promoted and favoured through legislation rather than domestic flying

catalyse change in the UK: HS2 in the long-term, while the recent Williams-Shapps Plan for Rail signposts the way for a simpler operating model. If well executed this could present a real step-change in the sector. “Right now, the demand for rail content is growing by the day,” expresses Pat McDonagh, CEO of Clarity Travel.

“In Europe, we also can see that rail is being actively promoted and favoured through legislation rather than domestic flying. It also helps that there is a growing high-speed network for intra-European travel.”

According to the UBS report the liberalisation of the European rail market is expected to ‘profoundly’ impact both the frequency and affordability of high-speed services. With Europe’s one trillion Euro Green Deal on the table this is likely to see a further boost to the sector as the bloc moves to a low-carbon economy.

“Liberalisation is the key thing that will support this, but also a closer collaboration among existing rail providers would be helpful,” states Christoph Carnier, president of VDR, the Business Travel Association of Germany. “They [operators] should also look outside their existing network and give access to connections and seamless ticketing to make rail trips as easy as possible.”

## PANDEMIC BOOSTS APPETITE FOR BUSINESS RAIL (Source: Trainline Partner Solutions)



Concern over catching Covid during air travel is spurring a renewed interest in using business rail, according to a new survey. The study of 1,000 regular business travellers, by Trainline Partner Solutions (TPS), found that three out of five business travellers say they are more likely to consider using rail for their business trips compared to before the pandemic.

The biggest factor putting business travellers off flying are concerns over Covid health and safety (41 per cent of respondents). Other reasons cited for taking the train instead of flying include getting to destinations quicker, being able to work while travelling, and the convenience of departing and arriving in city centres. When journey times are similar between rail and air, 90 per cent of respondents said they would prefer to take the train over flying or driving.

The data shows 59 per cent of employees who travel for work revealed they would avoid driving and even short-haul flights to Europe

when Covid-19 restrictions ease if the journey times were similar.

The environmental impact of air travel is also a key factor for some. One in five (20 per cent) say they want to use rail to reduce their carbon footprint. And some 81 per cent of travellers would support a ban on short business flights where a train journey is available, similar to the recently approved policy in France.

Champa Magesh, president of TPS, which provides access to rail and coach content to TMCs and online booking tool providers through an API, said: “When business travel returns, it will not look the same as before the pandemic. One clear long-term trend is employees planning to reduce the impact their travel has on carbon emissions and reduce road travel and short-haul flights.

“Given rail generates less than 5 per cent of the CO2 emissions of air travel and approximately 15 per cent when compared to car travel per passenger, rail is the clear alternative.”

**REGULATION NOW FAVOURS RAIL**

The legislative mood music certainly favours rail across the continent. Germany is cutting taxes on rail and raising them on air. In France, SNCF is discounting journeys to win back travellers lost due to Covid. In April, the French government approved a law banning domestic flights shorter than two and a half hours. Forget flying between Paris and Bordeaux or Nantes. “Sadly, the UK government is yet to act so decisively,” says Edmund Caldecott, the CEO of Whoosh.

Champa Magesh, president of Trainline Partner Solutions, adds: “Given rail generates less than five per cent of the CO2 emissions of air travel and approximately 15 per cent when compared to car travel per passenger, it’s understandable that businesses are promoting rail as the alternative.

“Another driving force is that, to support sustainability goals, governments across the world are investing significantly in the future of rail and this will translate into greater incentives for businesses to take the train.”

Alstom recently trialled the world’s first hydrogen fuel cell passenger train, highlighting the potential for even more sustainable rail transport. These super low-emission trains could be active within five years.

In the UK, a system that will help reduce delays due to “leaves on the line” and a new rail loyalty programme are among a number of innovations that have won funding from the UK’s Department for Transport and Innovate UK.

In total, 30 projects won a share of a £9 million pool as part of the First of a Kind competition that is designed to stimulate pioneering technology that can improve journeys for travellers, encourage passengers back onto the network and reduce the environmental impacts of rail.

Any new investment in rail will need to be backed by a revival in ticket sales, otherwise the industry is likely to stutter. TripActions has already seen a 47 per cent increase in European rail bookings for June, growth that reflects the



groundswell return to travel, but also the move towards rail for domestic and short-haul travel.

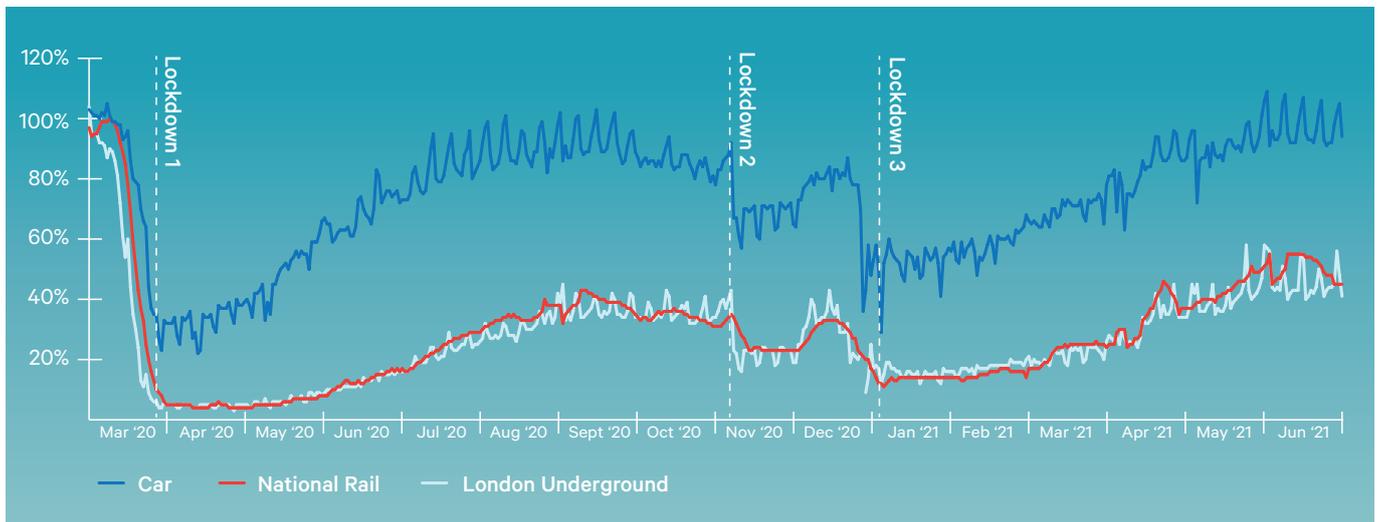
“We’re seeing more corporate buyers revise travel policies to stipulate rail rather than air. This is definitely driven by corporate sustainability goals,” explains Simone Buckley, vice president marketing for EMEA at TripActions.

Longer term, digitalisation and better connectivity in the UK and Europe through a myriad of interconnected operators is likely to support further uptake.

“More so than ever, it’s the value for money lens. Organisations and travellers want to experience a smarter journey that reflects their price point and some level of flexibility, without having to buy a ‘full fat’ fare,” details Raj Sachdave, managing partner at Black Box Partnerships.

**UK TRANSPORT USE DURING THE PANDEMIC**

*(Source: Department for Transport statistics)*





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# RATE EXPECTATIONS

A recovering market and unpredictable travel volumes add further complexity to hotel negotiations already fraught with unknowns, writes **Andy Hoskins**

**E**uropean hoteliers have cast longing looks to the United States in recent months as its domestic market recovers at an impressive rate. In Europe, the recovery is more protracted and, for now, remains driven by leisure rather than corporate business.

“We will have the best leisure summer we’ve ever had in the history of this business is my guess,” Hilton CEO Christopher Nassetta said in June. “Business transient and group will take a bit longer to come back, but we do have real reasons for optimism.”

In the UK, Premier Inn’s head of sales and distribution David Cooney describes business travel as “a juggernaut coming up behind leisure travel”. It’s going to come back, he believes, “but it’ll be a long, slow burn”.

In its Q1 trading update published in mid-June, Premier Inn said UK accommodation sales were down 60.9 per cent compared to the same period in 2019, but reported a “continued gradual increase in business demand”.

At the start of July 98 per cent of its 800-plus UK hotels were open, with business travellers accounting for a third of its guests compared

to a near-even business/leisure split in normal circumstances, says Cooney.

As vaccination programmes continue to penetrate Europe’s populous, most in the industry still anticipate concerted corporate recovery in the autumn. The speed and extent of that recovery is less clear.

“Hotels have outperformed air travel throughout the pandemic because you have domestic markets [propping them up], but in the last four weeks we’ve seen a real acceleration in hotel bookings driven predominantly from North America. In Europe we’re seeing positive numbers but not at the same level,” says Margaret Bowler, director of global hotel strategy at American Express Global Business Travel. “What’s interesting is that the customers who kept going [during the pandemic] were more of the smaller and middle market customers, but now we’re really noticing our bigger global customers are starting to move again.”

## THE RATES AND RFPs CONUNDRUM

As travel recovers, so will the hotel rates that had plummeted during the pandemic. Last year, most hotel groups were quick to offer corporates the opportunity to roll over the rates they’d negotiated for 2020 into 2021.

With staff shortages on the supplier and buyer side alike, many took that opportunity but also added a safety net for when rates fell below their corporate deal. It was very much a buyer's market, but is that changing as we enter the RFP season for 2022?

"Rates are still depressed but as each month goes by they're starting to rise in all regions. It's double-digit growth in North America; single digit in Europe," says Bowler. "Hotel groups have learned from previous world events that it takes a long time to grow your rate back."

Premier Inn's Cooney is under no illusion that rates will bounce back quickly. "Our broad aim has simply been to fill hotels. Only now are we really looking at rate opportunities. You need the volume back in the business first," he says.

And what of the future? "It's too difficult to estimate. You've got hybrid working policies now, it's difficult to gauge how long the online meetings phenomenon will last, and international demand is a big mystery. What I can say is that it [rising rates] will be regional and pocketed. In London and at airports it could be two years [until rates fully recover]."

With rate recovery unclear, some hotel groups are again keen to roll over corporate rates that were first negotiated in 2019. "They are still good rates for hotels right now," says Bowler.

On the other hand, Tripbarn founder and chief executive Steve Reynolds suggests that the trajectory of current rate recovery (see panel, p26) could mean hotel groups are keen to renegotiate. "Hoteliers are more motivated to negotiate deals with you rather than just you rolling over, because those 2019 discounts will start to be acceptable. They will provide value [to buyers] in the second half of the year, quite a bit of value in 2022."

Indeed, Bowler has seen some cases of corporates who have chosen to renegotiate with hotel groups emerge with higher rates than they had previously.

Another complication at the negotiation table is that corporates have no meaningful recent data – only numbers that are now several years old. "The reality is that corporates are not going to have the same travel habits as before and nobody knows the answer to how much that will be," says Bowler.

The best option, she believes, is to roll rates over again but also secure a guarantee that, should the BAR float below the negotiated corporate rate, the hotel group will offer them the lowest rate.

She adds: "Hotels are also really pushing dynamic pricing as a model. The fundamental issue that corporates still have is that that's great in a market that's depressed but in a market that's coming back, there's no cap, so you win sometimes and you lose at others."

## NO SLOW DOWN IN NEW OPENINGS

- The Accor hotel group will open more than 65 hotels across Northern Europe in Q2 and Q3 this year including the Fairmont Windsor Park and Mondrian Shoreditch in the UK, the Movenpick Basel, Switzerland, and a Jo & Joe hotel in Vienna created in partnership with Ikea.
- Premier Inn is opening its first hotel in Dublin city centre and its first in Guernsey and has already opened additional hotels in Glasgow, Edinburgh, Milton Keynes, London and Oxford this year. In Germany, it now has 30 hotels open and 43 in the pipeline.
- Marriott will open the W Rome hotel this autumn, marking the brand's debut in Italy. It will also open the Westin London City in September and debut its Luxury Collection in Hungary with the opening of the Matild Palace in Budapest.
- Two notable openings in the UK capital this September are the Pan Pacific London – the first European hotel from the Asian group – and The Londoner, by Edwardian Hotels, on Leicester Square.
- The NH Hotel group intends to open 12 new properties this year in Europe, the Middle East and US, including the arrival of the NH Collection in the US and Denmark, and NH Collection and NH Hotels in the Middle East.
- Hilton has opened The Fellows House Cambridge in the UK, a 131-room apartment-style hotel belonging to its Curio Collection brand, and the 129-room Hampton by Hilton Canterbury.
- IHG's voco Hotels brand arrived in Scotland earlier this year with the opening of properties in both Glasgow and Edinburgh. The group has also expanded its footprint in southern France with the opening of the Crowne Plaza Nice and the Holiday Inn Express Nice.
- Travelodge opened seven hotels in June – including properties in London and Bristol – and expects to add 17 in total in the UK this year, taking its portfolio to nearly 580 hotels.
- Melia Hotels is opening 17 new hotels across EMEA this year and eight in Asia.

The big issue there is there's no safety net. I don't see fixed pricing in key locations going away any time soon."

Premier Inn's Cooney says there is no mass clamour for rates currently but he does expect that to pick up and to see more activity than last year, with more active staff on both the supplier and buyer side than 12 months ago. "New business has been relatively quiet through TMCs but busier through Business Booker [the group's direct booking and management portal for SME customers]. We offer credit which is important to businesses right now."

## CHANGE MANAGEMENT

While many corporates stuck to their usual hotel category during the pandemic rather than cautiously trading down, two notable changes were observed: advance booking times fell and the average length of stay increased. Will those trends last?

Amex GBT reports that, pre-pandemic, 23 per cent of hotel bookings were made within three days of the stay. In May this year that figure stood at 44 per cent. "That is because of a lack of certainty, but we are seeing that decrease again now. Confidence is growing and people are booking further out again."

Meanwhile, the TMC also says length of stay has increased by 21 per cent in 2021 over 2019 as business travellers seek to combine more appointments in the same trip. That trend is driven by both sustainability concerns and the practicalities of organising travel in the current environment. Bowler believes average

“

**Dynamic pricing is great in a market that's depressed but in a market that's coming back, there's no cap. You win sometimes and you lose at others**

length of stay will remain higher post-pandemic, but “not necessarily 21 per cent higher”.

Another area of interest has been the management of guest expectations. TMCs and travel managers have worked hard to inform travellers that their experience in the current environment is going to be very different to what they would normally expect. In hotels, that can mean fewer staff, rooms stripped of ‘high-touch’ items, and hotels and bars that remain fully or partially closed.

“While we’ve been operating under government guidelines some guests have been turning up with expectations that things are normal. They don’t appreciate that room turnaround is longer or that it’s all table service in bars and restaurants,” says Premier Inn’s Cooney. “Some guest behaviour has been challenging”, he says, although that’s generally been in leisure hotspots at weekends when occupancy has been at its highest.

## RATE WARNING

Current business travel volumes are about 30 per cent of 2019 levels, and average daily hotel rates remain lower as well but are increasing, writes Donna Airoidi.

The data was published in Tripbam’s second-quarter market report, which also said global hotel rates are up 10 per cent month over month and are on pace to reach 2019 levels before year-end if they continue on that trajectory.

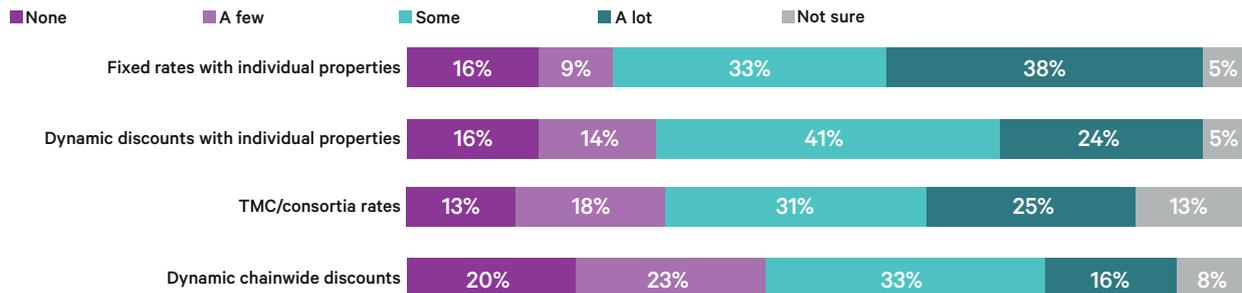
For travel buyers, “now is the time to hustle and get deals in place, or you could have a real challenge later this year,” said Tripbam founder and CEO Steve Reynolds. “I would say no later than the first quarter of next year, 2019 rates are here. In several markets, we’re seeing rates higher than 2019.”

Tripbam pulled hotel rate data for the report on June 20 and used a 12-month running average. For monthly comparisons, it used the prior 30-day period and the same period in 2019. It filtered out new clients and used only those that were in its system in 2019, to ensure a like-for-like comparison. The report data is also based on corporate transient bookings only, not leisure or group.

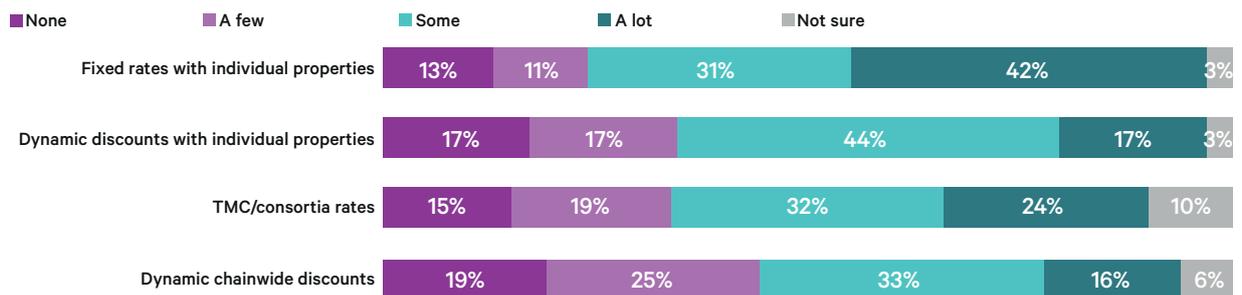
According to the report, the best available rate for June was down 29 per cent from the same period in 2019, and booked rates were down 27 per cent, but that is “changing rapidly.” Global corporate booked rates rose 8 per cent month over month.

“The trend line is steep, which means rates are going up, and I don’t see anything in sight that will slow that down,” Reynolds said. “It’s another indication that revenue managers at hotels feel able to keep rates up because occupancy is getting higher.”

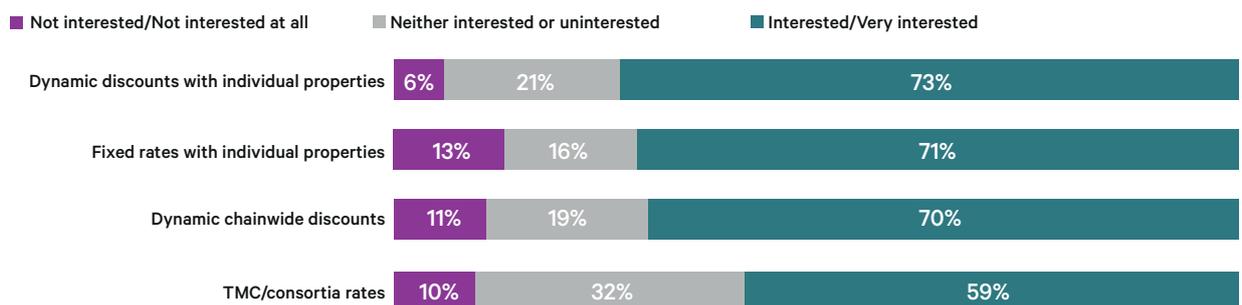
### HOW MANY OF THE FOLLOWING TYPES OF HOTEL DISCOUNTS DO TRAVEL PROGRAMMES HAVE IN PLACE THIS YEAR?



### HOW MANY OF THE FOLLOWING TYPES OF HOTEL DISCOUNTS DO TRAVEL PROGRAMMES HAVE IN PLACE LAST YEAR?



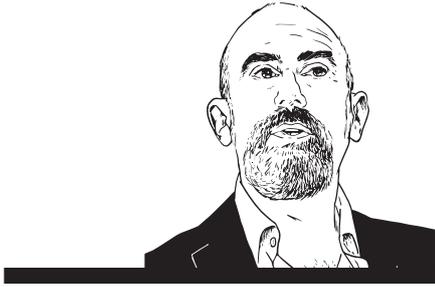
### ARE TRAVEL BUYERS INTERESTED IN HAVING VARIOUS HOTEL DISCOUNTS NEXT YEAR?



Source: GBTA poll, June 2021

# Insulation or isolation?

Current travel restrictions play into the hands of the UK's domestic economy  
but do little for overseas trade and relations



BY AMON COHEN



I don't think this government likes travel very much," a British travel executive who talks regularly to politicians told me a few months ago. At the time I believed the comment a frustrated over-reaction. After all, why would a governing party that traditionally positions itself as business-friendly dislike the travel industry? Surely all steps taken to curb movement have been purely to protect us from the virus?

Now I'm less sure. And the clear impression of the hundreds who marched for the Travel Day of Action on 23 June is that the UK government is indifferent to travel at best, hostile at worst.

It was evident from early in the pandemic that travel would be identified as an enemy to Covid resistance, especially for island nations like the UK, New Zealand and Australia. The virus reached our shores because of travel.

The words "insulate" and "isolate" both derive from the Latin word for island: insula. There is a strong argument that through stopping travel we have protected, or insulated, ourselves. But the suspicion remains that this government's decisions to insulate are overlaid by an instinct to isolate which is more ideological than medical.

Here's an example. Last month, Association of British Travel Agents chief executive Mark Tanzer called out a UK Tourism Recovery Plan which hailed "various restrictions on overseas travel" as an "opportunity" to boost domestic demand.

Here's another. The UK economy indeed needs a domestic tourism boost, not just

because of Covid but also because of Brexit (the fifth anniversary of the referendum for which, fittingly, was the Travel Day of Action). Leaving the European Union was a deliberate abandonment of freedom of movement of people between the UK and the EU, an objective the British government considered worth achieving even though, by its own publicly stated evaluation, quitting will shrink the nation's gross domestic product.

Even during this period when travel is limited anyway, it's been mission accomplished, including for business travel. Last month, CIBT Visas reported that a client had planned to send a group of UK employees (including video producers, sound engineers, a project manager and creative director) to Denmark to produce a live-streamed event. On discovering that obtaining work authorisations (not previously needed when the UK was in the EU) would cost £2,605 per person, the employer booted most of the Brits off the project and used EU nationals instead.

Who knows how much the government really needs to suppress travel? None of us in the travel business are epidemiologists, so we can't judge. But what we do know is that the government has made what look very much like arbitrary decisions – the rapid elevation of Portugal to the green list and its equally rapid relegation to the amber list is one example. Suspicion has been fuelled by the government consistently ignoring travel industry pleas to reveal the

criteria on which it makes such decisions. When transparency is withheld, it becomes hard to tell whether a government is being "guided by the science", as it claims, or by politics.

Travel and politics are becoming more entwined. It almost feels like travel is in itself becoming a political act, one that isolationists reflexively dislike because they know that those who travel learn there is much more which unites than divides us.

All this holds true for business travel as much as for leisure travel. We can make deals much more effectively with people when we eyeball them. The irony was not lost on Travel Day of Action protestors that the UK understood this when sidestepping its own rules to host the G7 summit in Cornwall instead of staging the meeting online.

By the way, Cornwall lies on a peninsula – meaning "almost an island". Metaphorically, that looks to me the way ahead. Over the coming months, nations and individuals alike will have to adopt a peninsular approach: relinquishing full isolation to become semi-connected. Then, soon we hope, we will be able to fully join up to each other again.

• Amon Cohen is a specialist business travel writer, conference moderator and media trainer

# BLURRED LINES

Is yesterday's commuter tomorrow's business traveller? **Amon Cohen** explores the grey area where commuting and business travel overlap



In June, business tech giant SAP told its 102,000 personnel worldwide that they now have permanent flexibility in whether they work from home or on company premises – or both. Employee surveys by SAP suggest a hybrid will be the overwhelming choice. Only 16 per cent intend to work remotely at all times, and just 6 per cent wish to visit the office five days a week.

The workplace revolution, which precedes, but was accelerated rapidly by Covid, opens up some big questions for travel managers. Does an employee journey from home to a company location now count as a business trip rather than a commute? And what constitutes a meeting space? And who should manage use of it?

Ford Motor Company divides its office premises into what it labels Me Space, where employees work alone, and We Space, where they interact with others. Before Covid, Ford offices were 70 per cent Me Space and 30 per cent We Space. Now it's the other way round. "The assumption is that when you do come into the office, it's not to do the

day job but to meet colleagues on a project basis or suppliers," says Ford travel manager for EMEA and APAC Stephen Swift.

But for many businesses which conclude they need less Me Space, the chances are they will end up with less We Space too as they shrink their property estates. That means employees could have to find alternative, external meeting facilities. "The way the work environment has changed is having an impact," says Ciaran Delaney, CEO and founder of the booking tool Meetingsbooker.com. "We're getting new clients who are reducing their office footprint and going to meet twice a week elsewhere in those cities instead."

Others are less sure. Rosaria Torriani, talent and organisation manager for the motion and control technologies manufacturer Parker Hannifin, emphasises that the overwhelming trend will be towards less travel overall, if only for sustainability reasons, and that most collaboration can be covered during the two to three days weekly that employees will continue to attend their regular workplace.

Torriani does not anticipate frequent offsite meetings. "Theoretically it

is possible but these days most people are managing multiple projects,” she says. “You can’t say you need one meeting per month for each project team. That would mean everyone attending 3-5 meetings per month.”

A travel manager at another company, speaking on condition of anonymity, also believes the link between work and travel has been severed by the shift to home working. “If you commute to the office, you’re more likely to have the attitude of ‘Let’s travel to the client as well,’” the travel manager says. “When people stop commuting so much, they will not feel the need to go on business trips either. If they do, the trip will have to be meaningful.”

### WHEN IS A COMMUTE NOT A COMMUTE?

The journey from home to office is coming under the microscope as well. Whether it remains designated a commute or is redefined as business travel has all sorts of financial, legal and managerial implications.

“This is an open question in HR and is something that needs to be clarified,” says Torriani. “Many companies are saying employees are not home-based, so this is a commute.”

But that position may become harder to argue as employees’ connection to a specific place of work becomes more tenuous. The anonymous travel manager, for example, points out that “organisations are beginning to look at hiring talent anywhere rather than talent located near the office.” If that geographical connection has been broken, the employer can hardly expect the employee to bear the cost of a trip to headquarters.

“The question of who pays is going to become very important for companies to navigate when they are updating their expenses policy,” says the travel manager. His own view is that the key determinant will be whether the employee makes the journey because they like being in the office or because they have been summoned there.

Also relevant will be how companies’ overall costs look once savings generated by reducing office footprint have been taken into account. “Some businesses are saying they will use some of those savings to pay for travel to the office to show they are a good employer,” says Raj Sachdave, managing partner of the business travel and meetings consultancy Black Box Partnerships. “Yesterday’s commuter is tomorrow’s business traveller.”

Sachdave argues that if one accepts home-to-office now counts as business travel, then it becomes as much part of the managed travel programme as any other trip, with attendant considerations including duty of care and sustainability.

There is a need for formal recognition in such cases. “If you spend the majority of your time at home, your place of work is home and there are associated benefits, including elements you can claim against tax,” Sachdave explains. “You also need to change employees’ contracts to state clearly that your travel and expense policy

“  
We’re getting new clients who are reducing their office footprint and going to meet twice a week elsewhere in those cities instead

kicks in as soon as you leave your front door.”

There are tax implications beyond benefits in kind for travel by remote workers, but the issue is complex. Both Swift and Torriani say their companies are actively working through the ramifications. In an op-ed published last month in BTN, Global Tax Network business traveller and remote worker solutions global practice leader David Livitt warned that avoiding tax pitfalls for journeys to company headquarters “will take diligent efforts from companies to monitor corporate and income tax issues, payroll withholding obligations, social security risk and compliance both pre- and post-travel.”

Other risk issues need to be considered. Sachdave points out that motorist insurance policies typically cover social, domestic and commuting purposes but not business trips. “If the trip to the office is no longer commuting but business travel, that needs looking at,” he says.

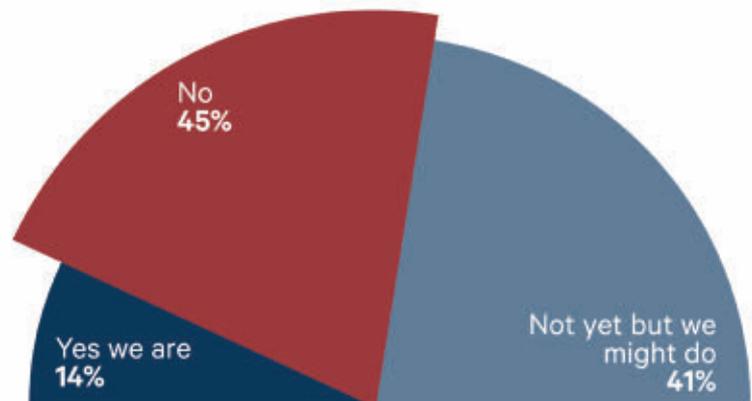
Travel suppliers are also adjusting to hybrid working. Sachdave draws attention to the new rail carnets being offered in the UK aimed squarely at workers who visit their office a couple of times a week. The carnets provide eight reduced-price trips over a 28-day period.

Once again, the transformation from the world we knew pre-Covid is making business travel more complicated than it used to be. Sachdave reckons that presents an opportunity for travel managers. “The blurring of commuting and business travel widens the remit of the travel buyer,” he says.

### OPEN TO CHANGE

A poll conducted online at [buisinesstravelnewseurope.com](https://www.buisinesstravelnewseurope.com) posed the following question:

**WITH THE ACCELERATION OF REMOTE WORKING, IS YOUR ORGANISATION BEGINNING TO LOOK AT EMPLOYEES’ COMMUTES BETWEEN HOME AND OFFICE AS PART OF YOUR WIDER BUSINESS TRAVEL PROGRAMME?**



# Staying grounded

The trends to watch out for as ground transport plays its part in post-pandemic business travel recovery



BY SASCHA MESKENDAHL, CHIEF REVENUE OFFICER, BLACKLANE

**H**ybrid work environments, remote employees and hygiene concerns will have lasting impacts on how workers travel for business trips and commute. Corporate travel managers will need to accommodate a new array of employee gatherings, such as quarterly meetings and strategy sessions, both on-site and off-site.

They will also need to take new health and safety requirements into account, reviewing travellers' door-to-door journeys before sending people on the road for work. These dynamics require travel buyers to adjust to four post-pandemic ground transportation trends.

**Suppliers must cover more markets.**

Before, it sufficed to focus on a company headquarters and satellite locations. In home office and work-from-anywhere models, however, organisations will require ground transport suppliers in more locations.

Companies will need to vet car rental, chauffeur and taxi providers, and this will mean adding more local suppliers, extending the coverage area of current suppliers (if they can), or both. Travel managers may be able to negotiate set rates for recurring routes.

The number of corporate travellers requiring ground transport may also be much higher now. If you transport entire teams who used to come into the office on their own, then your ride services may meet or exceed prior usage.

**Companies need alternatives to trains and short-haul flights.** Health and safety measures

and employee preferences will mean more car rentals and chauffeur rides in lieu of flights and even train trips, as well as taxis for shorter journeys. Some travellers will want to avoid crowded trains, Tube rides, airports and planes.

**New rates, availability and policies change suppliers' value.** As US travel has resumed, car rental prices have spiked and ride-hailing fares have risen by as much as 50 per cent. Taxis have been in short supply in several cities, including New York.

Travel managers need to be prepared for higher costs, less availability, more waiting time and traveller frustration. Booking in advance with guaranteed rates will provide cost certainty and trip security.

**Service considerations.** Travel managers should consider enquiring how many redundancies companies made and how new staff numbers impact service. Specifically, they should ask how today's service on the road, online, and in support functions like account management and customer service compare to the pre-pandemic experience.

It's also possible that booking lead times, cancellation policies, and fees could be structured differently, some in favour of travellers and others not.

**Buyers lead suppliers on sustainability.**

Over the pandemic, several large organisations – including Bloomberg, EY and Freshfields – made new public commitments to reduce and offset carbon emissions. Yet too few ground transport



companies have built sustainability into their business models. Travel managers can ask suppliers many questions to understand their commitment to green mobility:

- How do you offset emissions from your global rides and business operations?
- When did you begin offsetting emissions?
- Can you calculate the emissions offset for our entire company on a regular basis?
- Can you guarantee availability of greener vehicles, such as battery electric vehicles or plug-in hybrid electric vehicles?
- When do you plan to transition to more environmentally friendly vehicles?
- What climate organisations do you support?

For example, Leaders for Climate Action has hundreds of European members and Amazon-led The Climate Pledge just passed 100 signatories worldwide. Thankfully, the trajectory of travel is towards more sustainable options to get from A to B.

European travel companies and travel managers have the opportunity now to learn from the supply and cost troubles currently plaguing the United States. With proper planning, buyers and suppliers alike can better prepare for the resumption of travel and employees' new mobility needs.

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# DRIVING CHANGE

Car rental has been viewed as a 'safer' form of travel during Covid but problems with the supply of new vehicles could force up prices in the coming months, writes **Rob Gill**

**T**ravel buyers have always had a pretty wide remit but it's unlikely the supply of computer chips has popped up on their radar very often.

While the current worldwide lack of semiconductors for electronic chips doesn't initially seem like a problem for corporate travel, they are key components of new cars and their shortage is likely to affect the pricing and supply of rental vehicles in the next few months.

This problem has forced a slowdown in the delivery of new vehicles around the world including to car rental firms, which cut their fleets in 2020 to bring in much-needed cash during the early stages of the Covid-19 pandemic. This potential shortage of rental vehicles comes as demand picks up for self-drive options due to their perceived health and safety benefits.

Rob Coomer, senior director, global customer management, at CWT, says: "There is definitely an element of safety involved. As airlines have been really clear in advocating how clean their aircraft cabins are,

people still feel if it's just them in a vehicle it's safer. The problem right now is the pressure between supply of new vehicles and demand."

## SUPPLY UNDER PRESSURE

This supply squeeze is already being felt in the US, particularly in popular holiday destinations such as Florida, and could be a factor in Europe with buyers facing higher prices and a lack of availability.

Coomer says leisure travellers in Florida were prepared to pay \$150 a day for a week's rental during Easter which led to car hire firms not "honouring negotiated \$30 per day corporate rates".

This situation could repeat itself in Europe, says Josh Collier, head of proposition rail and ground transportation, at Agiito (formerly Capita Travel and Events). "It's not a concern right now but it could massively impact on prices – we're already seeing that in the US with car hire prices in Florida typically up by 50-60 per cent," adds Collier.

"It's about educating people. If they want to have a car, trying to get that

done at the last minute may start to become a problem. I don't think travel buyers are aware of it yet."

In a way, the car hire companies are victims of their own success because they so effectively instigated stringent health and safety procedures to reassure travellers during Covid.

"Travellers preferred private transportation that reduced their exposure to other travellers, plus they were reassured by the car rental firms' sanitation protocols," says Sesilia Kalss, from GBT Global Business Consulting. "As a result, car [hire] did not see anything like the dramatic dips in air and hotel and volumes have recovered strongly."

Car rental firms have also been quick to respond to trends such as demand for longer and more flexible rental periods, as well as improving their digital processes to create a more 'touchless' pick-up system for travellers.

Scott Davies, CEO of the Institute of Travel Management (ITM), agrees car rental firms have done a "really good job of sanitisation and seamless process". He adds: "Providers are reporting longer rentals as travellers want to use this as a safe option for longer periods."

This is reflected by car hire's market share rising by 80 per cent during the pandemic compared with other modes of transport, according to Gray Dawes Group – further indicating the potential for short-term pricing and availability issues.

"We are advising clients to book in advance and secure preferred contracts with suppliers to stabilise costs," adds Gray Dawes' consulting manager Aman Pourkarimi, who expects car availability issues to ease later this year.

Even given car rental's relative success, compared with other transport sectors, it's hardly been an easy ride – iconic brand Hertz entered bankruptcy protection in the US last year, while Avis Budget says it's unable to provide any "guidance" on its financial results this year due to "macro uncertainties" such as vehicle availability and the impact of vaccine rollouts on global demand.

## SUSTAINABLE QUESTIONS

While availability and pricing will be hot topics in the very near future, longer-term trends focus around reducing emissions from car hire, as well as providers being able to offer a wider range of flexible transport services built around the concept of mobility as a service (MaaS).

Most in the corporate travel industry agree progress is required in making more electric and hybrid vehicles available, while many countries also need to improve their vehicle-charging infrastructure.

"For now, availability is an issue when it comes to hybrid and electric vehicles – supply is limited," says Sesilia Kalss, from GBT Global Business Consulting.

"Clients have negotiated these greener vehicles in their corporate rates but when they try to book, they can't

“

**Trying to get a car at the last minute might start to become a problem. I don't think travel buyers are aware of that yet**

get the cars. And when they do, in many countries the infrastructure is lacking. The situation is better in the Nordics, but in Germany and the UK there is a shortage of charging points."

ITM CEO Scott Davies says there is "going to be such a huge demand" for electric vehicles as organisations focus more on sustainability and this will be a "key opportunity" for rental companies.

"There are many concerns about the readiness of the charging network," adds Davies. "A lot of people's first experience of electric vehicles will be through renting one and it needs to be a good experience."

As for offering more flexible options, Enterprise is seen as one of the market leaders with several innovative projects combining traditional rental with car clubs, as well as trialling 'mobility hubs' which also offer bicycle and electric bike hire.

"Travel managers will increasingly need flexibility," adds GBT's Kalss. "In big metropolitan areas like London, Paris or Munich, cars are less and less welcome. More cities are introducing air quality regulations, low emissions zones and restrictions like low traffic neighbourhoods."

With this changing environment, car rental firms will be under pressure to provide the type of services and flexibility travel buyers will quickly view as a necessity rather than something that's "nice to have".

## SUPPLIER UPDATES

- Hertz was expected to emerge from bankruptcy protection in the US at the end of June. The company filed for chapter 11 protection from creditors in June 2020 with debts of \$19 billion. Hertz said it would come out of bankruptcy as a "well-capitalised and even more competitive company, with the flexibility and resources to pursue exciting new growth opportunities".
- Enterprise Rent-a-Car is working with Brompton Bike Hire on a pilot "mobility hub" at Imperial College London. The four-month trial gives Imperial staff access to two Enterprise Car Club vehicles (one electric and one hydrogen-powered), plus 25 Brompton folding bicycles, including five electric bikes.
- Avis has introduced more long-term rental options ranging from 31 to 90 days. The Avis Flexible Long-Term Rental product gives customers three mileage tiers to choose from: 1,000, 2,000 or 2,500 miles. The company has also used its Avis Safety Pledge and digital check-in service to offer extra reassurance and reduce "unnecessary contact" between staff and customers.





# DUAL PURPOSE

Live events are returning but simultaneous virtual delivery could be here to stay, writes **Amon Cohen**

**T**here are promising signs that large scale in-person meetings will return soon as Europe subdues the coronavirus pandemic through mass vaccination. But there will be one crucial difference from how events were staged pre-pandemic. In future, many are expected to be hybrid: some participants will attend face to face, others virtually.

Hybrid events were emerging as a trend even before coronavirus, thanks to improving technology, but now they are set to accelerate rapidly. One survey published earlier this year by etc.venues found that 73 per cent of event planners tip the hybrid model to become more common.

“The reality is that post-pandemic we are going to have a split audience,” said Mike Piddock, CEO of virtual event technology provider Glisser, at a recent Institute of Travel Management (virtual) event. “Some people are going to want to be there in person and some will want to remain virtual. Maybe they are continuing to shield or feel vulnerable. Maybe they don’t want to travel for environmental reasons.

“If you choose not to run events in some sort of hybrid fashion, you are effectively excluding part of that audience. We may even get to the point where it is seen as discrimination to exclude people because they are unwilling to enter a building,” Piddock said.

A hybrid approach also provides a safety net while the world takes its first steps towards resuming meeting in person. The ability to switch some participants to virtual attendance avoids having to book additional venue space if social distancing rules persist. And the virtual option also means participants in countries with travel restrictions can still attend.

More positively, meeting planners can also think about extending the geographical reach of their original events. An event that was previously exclusively European in scope, for example, because it was too expensive to fly in attendees from elsewhere, can now be opened up to other regions.

“There will be as many live events as before Covid,” says Franco de la Croix-Vaubois, the founder and CEO of Event Organisers Network, a community for event professionals, and virtual event consultant for the online meetings platform

Hopin. “Fewer people will attend live but they will have a wider reach overall because they will mostly be hybrid and attract an additional virtual audience.”

For buyers whose remit includes meetings, the hybrid model triggers some major changes to their strategies. Most fundamentally, says de la Croix-Vaubois, “buyers have to plan hybrid meetings as two separate events. The common area is the content.” Both the face-to-face and virtual elements, he adds, will need separate technical planning and budgeting.

### NEW CONSIDERATIONS

Neither task is easy. On the budgeting side, “no one is quite sure yet about the new cost of meetings,” says Betsy Bondurant, president of strategic meetings management consultancy Bondurant Consulting.

De la Croix-Vaubois agrees. “If you have 300 live delegates instead of 1,000, you’re saving 700 beds, 700 F&Bs and so on,” he says. Weighed against that, he warns, is the cost of virtual production, which is not to be skimmed if there is to be more than a token attempt to engage the remote audience. A single webcam on a wobbly tripod focused on the stage and beaming a live feed via Zoom will definitely not cut it any longer.

Speakers at the ITM conference repeatedly counselled that the virtual element of larger hybrid meetings must be produced like a television show if it is going to be successful. Chris Parnham, owner and director of event producer Absolute Corporate Events, compared the TV-like experience of virtual with the theatrical experience of live attendance. “TV moves much, much faster than theatre does,” he said.

That means deploying several camera operators plus their expensive kit, and a director to cut between images. Add in the graphics required before, during and after, plus other technical equipment such as high-quality microphones and a video switcher for live streaming, and the costs soon mount.

On the technology front, buyers need to add a new category of supplier to their remit: hybrid meeting platforms. The choices they make can make or break an event.

“Look at all the hybrid options out there,” says de la Croix-Vaubois. “They are not all the same. I would lean towards having a preferred platform. If it doesn’t fit a particular event, you can use another one on an ad hoc basis. It’s just like having a relationship with a preferred hotel chain to handle most but not all of your events.”

Bondurant agrees that formal relationships need to be established, but buyers need to get their own houses in order first. “More governance is needed,” she says. “Someone needs to take ownership of the meeting platforms. Who should own that relationship? IT? Marketing? People are spending more than they need to because they are not collaborating internally.”



Relationships with existing tech suppliers also need to be reconsidered, starting with ensuring that online meeting registration tools can guide participants whether to attend physically or virtually. “That needs to be very flexible,” says Meetingsbooker.com CEO and founder Ciaran Delaney. “You need a system where you can book one way and then transfer to the other.”

Audio-visual providers will come under review too. The AV team for an event has more responsibility than ever if it is in charge of delivering sound and vision not only live but virtually. “You may need to broaden your agreement with the AV company to cover additional virtual expertise,” says de la Croix-Vaubois.

Alternatively, some production support may be provided by the venue. That is just one reason why venue agreements also need reassessment. Parnham told the ITM conference that what clients prioritise in their selection criteria has changed radically. “It might not be as important that the venue has a spa or great surroundings. It’s much more important that it’s well soundproofed,” he said.

Most critically, Parnham added, “the venue needs to offer securely partitioned wifi or hardwired connection. You can’t risk it dropping out.”

With every event now effectively two rolled into one, the workload suddenly looks much more daunting, not just for event producers, but also for the buyers who underpin meetings programmes with supportive procurement strategies. But Piddock told ITM members he is confident they will take this new world in their stride. “It seems challenging now but this will become business as normal in a few years,” Piddock said.

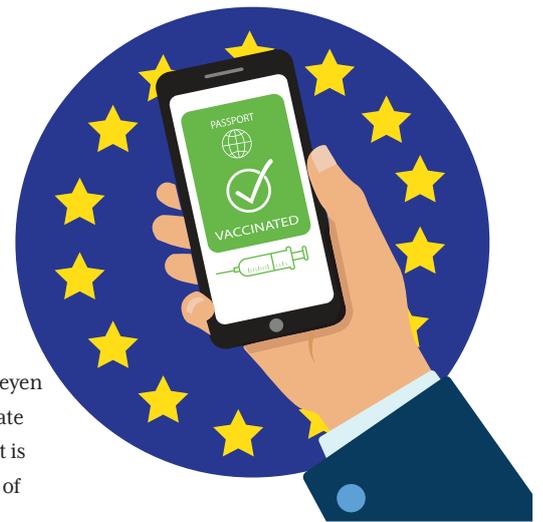
“**If you choose not to run events in some sort of hybrid fashion, you are effectively excluding part of that audience**”

# EU's vaccine certificate makes stuttering start

Early teething problems mean it is still not perfect in practice



BY JENNIFER BAKER



In February this year I wrote about the proposed European Union 'vaccine passports'. Back then, the question was how – and if – different EU member states would accept them and where that might leave third countries including the UK.

On 1 July 2021, speculation became reality and the European Commission officially rolled out its continent-wide vaccine passport – except they really don't want you to call it a 'vaccine passport', rather it is a 'digital certificate'.

It shows proof of vaccination via a QR code – including how many doses the holder has received – any negative test result and the date of that check as well as information about any past infection (since the antibodies conferred are likely to provide some immunity). However, only vaccines approved by the European Medicines Agency are accepted.

The system will remain in place for 12 months and EU countries are expected to comply. There is a phasing-in period of six weeks for countries that are not yet ready.

Some countries, such as Ireland, have not been able to get up and running due to a cyber attack that caused chaos in the country in recent weeks, and will remain unable to do so for at least another two weeks.

The Commission hailed the digital certificate a great success. Indeed, getting the vast majority of EU member states to agree on anything is certainly an achievement.

Commission President Ursula von der Leyen said: "The European Digital Covid Certificate is a symbol of an open and safe Europe that is opening cautiously, putting the protection of the health of our citizens first."

"In March, we promised to have an EU-wide system to facilitate free and safe travel within the EU by the summer holidays. Now we can confirm that the EU Digital Covid Certificate system is up and running. A vast majority of EU states are already connected to the system and ready to issue and verify the certificates."

But the roll-out didn't go quite as smoothly in reality. In Malta for example, on 1 July, the official start date, Malta International Airport checks were not all equipped with readers to scan the QR code. Reports of hour-and-a-half-long queues for travellers sparked criticism.

In practice the efficacy of the system is very fragmented across the EU. Around 21 countries have already deployed the system and others say they are 'technically ready'. Others, including Germany, already began using the new health certificate in June.

As well as EU member states, the digital certificate will be accepted in Switzerland, Liechtenstein, Iceland and Norway, and talks are underway with the UK and the US. At the time of writing, the EU does not recognise the UK's NHS pass, although some individual countries within the EU do.

Meanwhile, Reuters reported that police

in Italy had broken up a number of online schemes offering to sell fake EU digital Covid-19 status certificates. According to the investigation, coordinated by the cybercrime prosecutor's office in Milan, more than 250,000 people had already indicated their willingness to pay for false certificates.

It is clear that such a wide-ranging scheme was never going to be straightforward and countries with less technical capabilities were always going to lag behind in getting the system running smoothly, so it is perhaps too early to judge its success.

The aspiration for a single QR code to work across countries, removing the need to test or quarantine, would be a huge boon to the business travel industry. But the looming fear on the horizon is that third countries will not be able to take advantage of free movement in the EU because of variant numbers increasing – as is the case with concerns over the Delta variant in the UK – or because the type of vaccine has not been recognised by the EMA.

Nonetheless, these legitimate concerns aside, every effort should be made by all countries to get the system working smoothly to restore convenient travel to those who want it.



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