

ACTE ProMedia Executive Travel Survey

Senior-level Executives, Procurement Executives and Corporate Travel Managers (CTM's) continue to be optimistic that corporate travel budgets will either remain the same or increase this year. While each group is evaluating new methods to control and reduce travel costs, they agree that adjusting travel policy to push advance purchase of air tickets and using online booking systems are some of the best ways to control spending.

These are just some of the findings of the 2007 Association of Corporate Travel Executives (ACTE) / ProMedia Executive Travel Survey, the fifth in an annual series that takes the pulse of the business travel industry. The survey incorporates the input of more than 300 decision-makers representing the three main areas involved in managing a corporate travel program – C-level executives, procurement/finance managers and corporate travel managers.

EXECUTIVE SUMMARY

Involvement in Travel Decisions

- Senior-level Executives, Procurement Managers and CTM's increased their direct involvement with their company travel programs, and plan to stay as involved or more involved in 2008
- Managing business travel expenditures is a top priority for all respondents – especially among senior executives, of which 72 percent said it is very important

Corporate Travel Budgets

- 58 percent of all respondents indicated their travel budgets would increase over last year
- Average travel budgets increased by more than 8 percent in 2007
- Overall, supplier costs and increases in the number of trips taken were the primary drivers behind the increase in travel spend
- 78.8 percent of corporate executives and 72 percent of travel managers felt they would spend more in 2008 on travel, compared to only 56 percent of procurement personnel

Managing Travel Costs

- The U.S. and Europe use more methods to control travel spend than their counterparts in Asia and Latin America. Europe considers alternatives to travel, while buyers in the U.S. believe advance ticket purchases provide the best option. Asia and Latin America travel programs are evolving and primarily adjust travel policies to manage their costs
- All survey respondents reported that using an online booking system is an effective tool for managing travel expenditures

Online Booking

- Online booking systems have become core tools in the U.S. and Europe, while Asia and Latin American are quickly migrating toward implementation of these tools
- Across the board, the vast majority of survey respondents reported that online booking systems provide savings on overall travel expenditures
- More than a third of U.S. respondents stated they received “significant” savings from moving their programs online, with Europe (25.6) and Asia/Latin America (26.1) not far behind

Travel Data

- All survey respondents consider it important to collect travel data, and are concerned about having access to accurate data from their suppliers
- 72 percent of respondents believe they are not receiving timely and accurate data

Challenges

- Controlling overall travel spend is viewed as the greatest challenge by respondents, followed by policy compliance and developing global travel programs

Methodology

The fifth annual Executive Corporate Travel Survey was conducted in August 2007 by the Phoenix Marketing Group, an independent market research firm, and sponsored by ACTE, ProMedia, GetThere, Sabre Travel Network and Travelocity Business.

The survey generated 305 qualified responses from companies based in Asia, Europe, and North and Latin America. Forty percent of participants spent between \$5 and \$59 million in air volume, while a third spent less than \$5 million, and a quarter spent in excess of \$60 million.

Nearly 27 percent of respondents employ less than 1,000 people, with the same percentage also coming from companies with 1,000 to 10,000 employees. A little over 20 percent employ between 10,000 and 50,000, and about 19 percent employ more than 50,000.

The survey was geared toward senior executives, procurement managers and corporate travel managers. Respondents were screened to ensure they were directly involved in managing corporate travel policies or budgets.

Executive responses include senior executives with financial responsibilities such as CFO's, Senior VP's, Executive VP's, Presidents, CEO's and COO's. Procurement responses include procurement executives with purchasing responsibilities such as CPO's, Procurement/Purchasing VP's and Directors. CTM responses include Corporate Travel Managers affiliated with ACTE or ProMedia.

DESCRIPTIONS OF SPONSORS

ACTE

Founded in 1988, the Association of Corporate Travel Executives is the only organization wholly dedicated to the science of business travel management with an international constituency. ACTE membership totals more than 2,500, including entities in Asia, Europe, Canada, and the United States. The organization is headquartered in Alexandria, Va. More information is available at www.acte.org.



ProMedia

Founded in 2006 and headquartered in Ridgefield, Conn., ProMedia.travel LLC, www.promedia.travel, is an integrated media company serving the managed travel and meetings markets. The company provides information services via publications, Web sites, newsletters, RSS feeds, conferences, events, webcasts, custom publishing, list rentals, research, database marketing and market intelligence. ProMedia.travel produces The Beat, www.thebeat.travel; Management.travel, www.management.travel; The Transnational, www.thetransnational.travel; and Procurement.travel, www.procurement.travel.



GetThere

GetThere®, the world's leading corporate booking solution, is one-hundred percent committed to corporate online travel. Travel is the second largest controllable expense for most organizations. So a corporation's travel policy – and the way it's managed – significantly impacts the bottom line. To help companies manage their travel spend, GetThere® combines innovation and travel industry expertise to bring the best in online travel technology to corporations and corporate travelers around the globe. More than 3,000 corporations worldwide use GetThere®. For more, information visit www.getthere.com.



Sabre Travel Network

Sabre Travel Network® provides the world's most efficient corporate travel marketplace for travel agencies and corporations. We are committed to helping you achieve best-in-class travel procurement results by providing end-to-end solutions that help drive maximum savings for your company as well as enhanced service and improved security. For more information, visit www.sabretravelnetwork.com.



Travelocity Business

Travelocity Business® is a full-service corporate travel management company that helps companies easily manage travel and reduce costs, while providing more choices to travelers. Travelocity Business combines the expertise, service and travel choices of Travelocity® with corporate experience gained from serving more than half of the Fortune 200 companies. For more information, visit www.travelocitybusiness.com.

