



# The New Normal The Business of Travel



Clive Wratten – Chief Executive

# TMC Covid Review

# “Zoom, just one look and then my heart went boom”

Fat Larry's Band 1982

## Business Travel Industry Annual Review

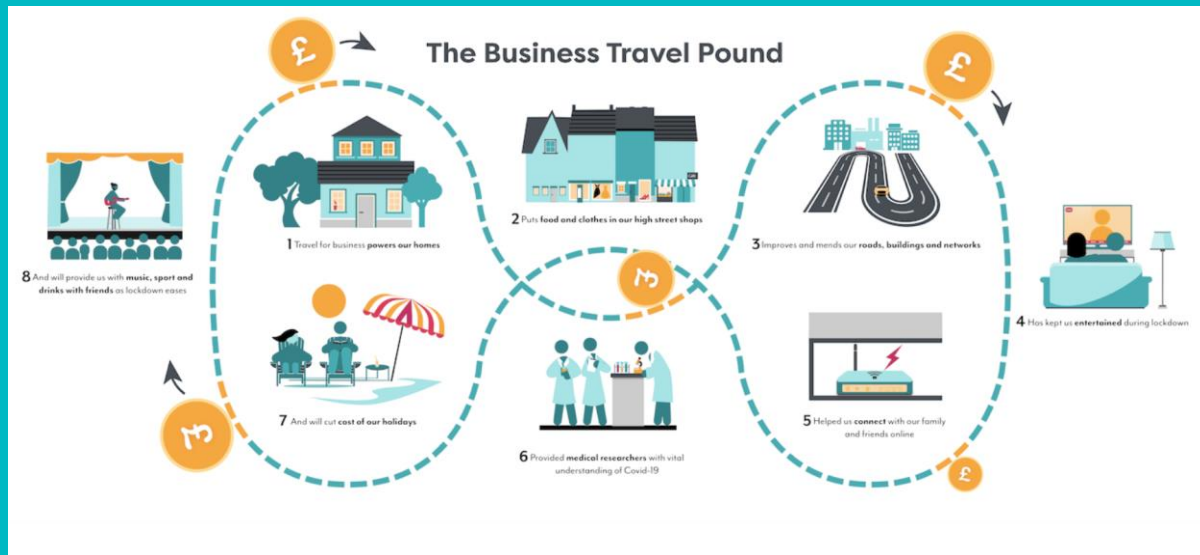
- March 2020 Business travel moved to almost exclusively an online activity
- Since March 2020 BTA member TMC's have not seen revenue above 10% of their 2019 levels
- Over 50% of the sectors staff around, 7,000 jobs, have been made redundant in the UK
- Of the remaining staff over 75% remain on furlough, the majority have been on furlough for 15 months
- However workloads have been high – Refunds, queries, bookings, information with little income
- Most TMC's have relied on the Job Retention Schemes with no other grants made available to our industry.



# Understanding Business Travel

# “You get up every morning from your alarm clock's warning take the 8:15 into the city”

Bachman Turner Overdrive-Taking care of business 1973



**What drives a return to business travel?**

# “Cause I'm leavin' on a jet plane don't know when I'll be back again”

John Denver 1966

- Can you build a hospital on Zoom?
- Can you crew a ship on Zoom?
- Can you offer humanitarian aid on Zoom?
- Can you win the Champions league on Zoom?
- Can you build relationships and trust on Zoom?
- Can you sign and implement partnerships on Zoom?
- Can you manage internal meetings on Zoom
- Zoom and travel will sit alongside each other

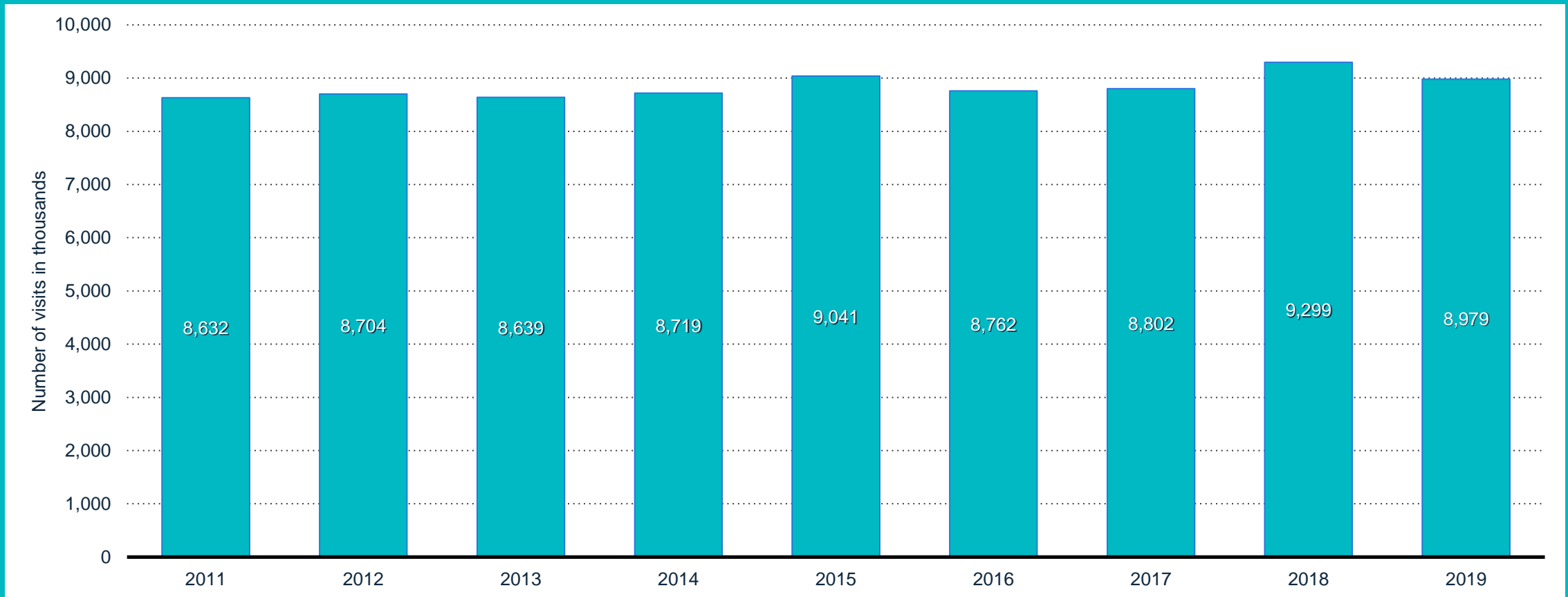


# Understanding the size and critical nature of business travel



# “Working 9 to 5, what a way to make a living Barely getting by, it's all taking and no giving”

Dolly Parton 1985

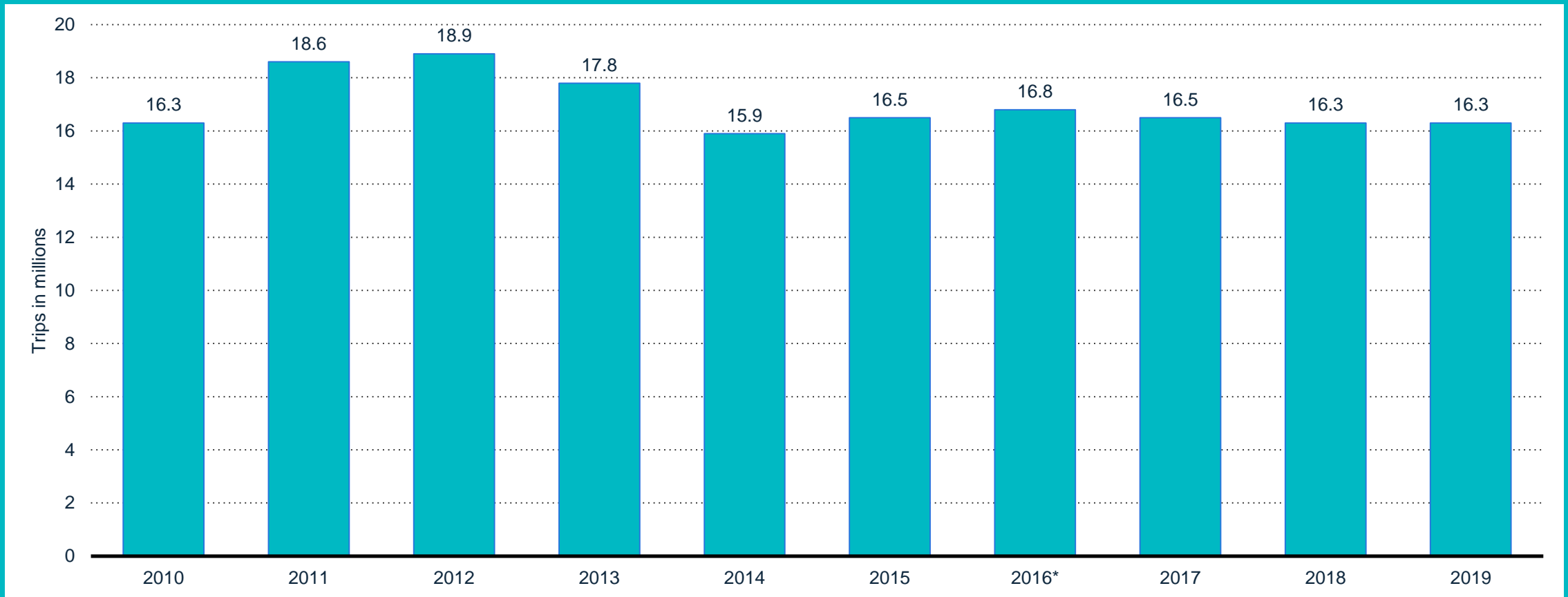


Number of business visits abroad by United Kingdom (UK) residents from 2011 to 2019 (in 1,000s)

Its not just overseas where business travel happens.

# “I'm sittin' in the railway station got a ticket to my destination”

Simon & Garfunkel 1966



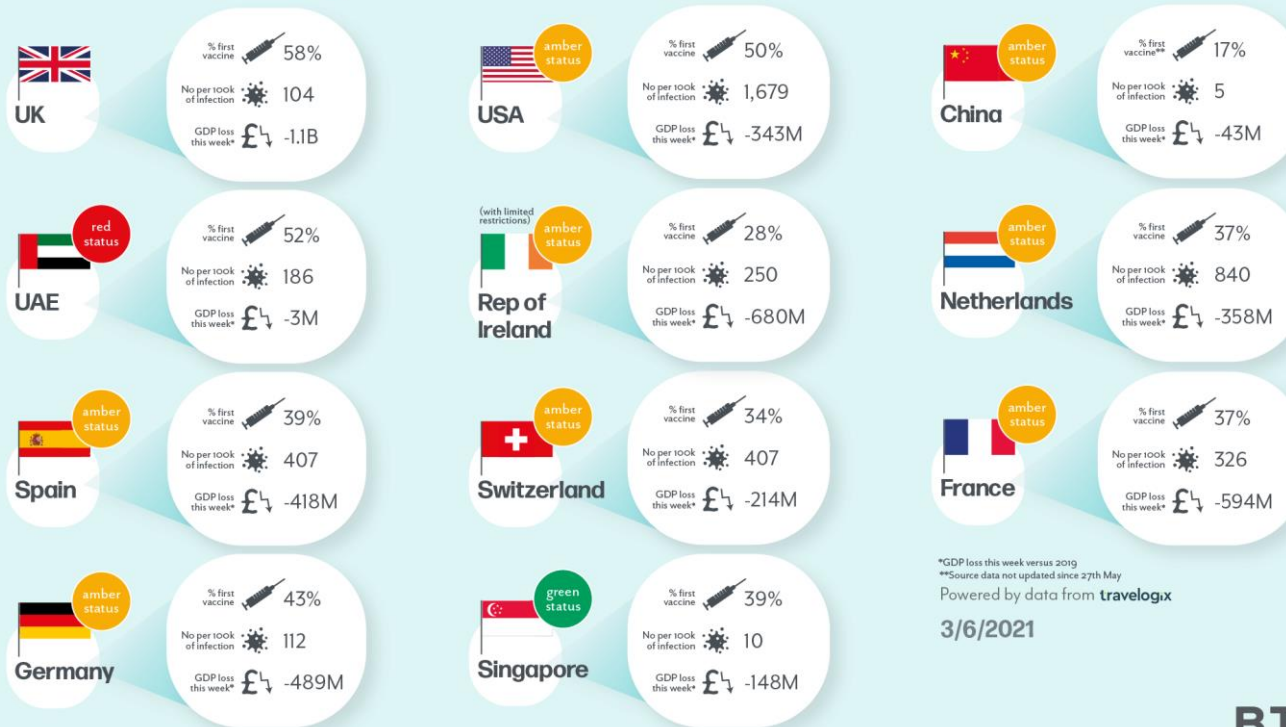
Number of domestic business trips taken in Great Britain from 2010 to 2019\* (in millions)

What does business travel really deliver?  
Or put another way what are we losing?

# “Cause I am a champion, and you're gonna hear me roar Louder, louder than a lion”

Katie Perry 2013

## Weekly Business Travel Tracker



\*GDP loss this week versus 2019  
\*\*Source data not updated since 27th May  
Powered by data from [travelogix](#)  
3/6/2021

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Change happens, industries evolve

# What's goin' on and I say hey...And I say hey what's goin' on

4 Non Blondes 1993

## Pricing Models

Today, we look towards a “new normal” with three pricing models recommended and industry cohesion around customer negotiations.

## Sustainability

There is consensus from our interviewees that many younger employees will be quicker to return to travel. However, they are also the most environmentally conscious. This will inevitably result in fewer business trips, but those that are undertaken will want a clear commitment to greener travel.

## Technology

Our interviewees suggested that 2-3 years of technological transformation took place in the first six months of the pandemic.

## Size and shape

Many small companies have either sadly been unable to continue trading or have merged with former rivals. This theme of consolidation and collapse is expected to continue into 2022 as Covid-19 continues to evolve and the timing of the effect of the vaccine rollout can be better determined.

## The Future of Business Travel

In 2021 and beyond



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The signs are positive.



# “Reasons to be cheerful One, two, three”

Ian Dury 1977

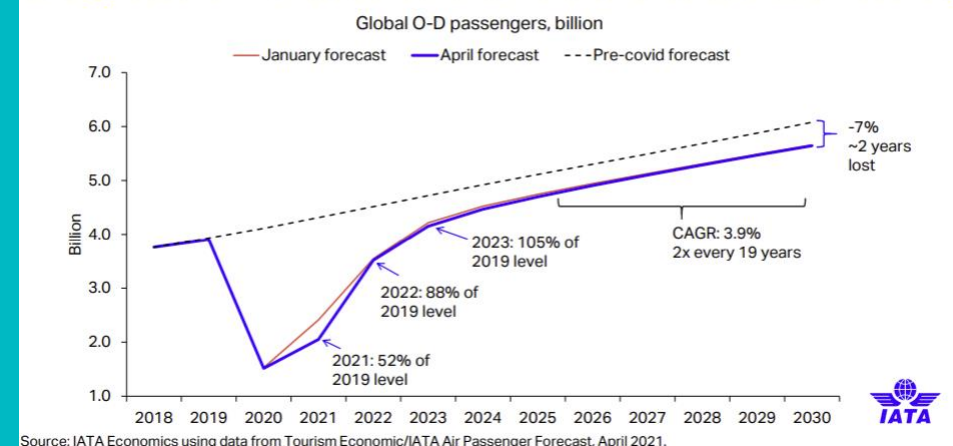
Three in four (74%) GBTA buyer and procurement respondents feel their employees are ‘willing’ or ‘very willing’ to travel for business in the current environment. The remaining buyer and/or procurement respondents feel their employees are ‘not willing’ (10%) or ‘neutral’ (11%) in terms of their employee’s willingness to travel for business. In addition, one in ten (6%) are ‘unsure’.

GBTA survey May 2021

The speed of the return to business travel ultimately rests in travellers’ confidence. 80% of business travel executives indicate that health and safety will drive their return, with most willing to pay more for the highest quality regimes.

BTA research March 2021

We estimate COVID-19 long-term loss of 2 years growth  
Strong rebound when border travel barriers removed but not full recovery



IATA economics data April 2021

Predictions or fantasy  
You decide...

# “The only way is up for you and me now”

Yazz 1988

1. Video conferencing is here to stay
2. Internal meetings will be prime candidates for video conferencing – 1 in 4 principle
3. Travel Management companies will be more important than ever before
4. Complexity in travel has always been around but it is up a couple of levels now
5. The need for flexibility will drive pricing changes from suppliers
6. Sustainability will increasingly dominate travel decisions
7. Travel approval will have a wider scope than just cost
8. Business travel must be seen as an investment and not a cost
9. Duty of care will become three dimensional and tangible
10. Mixed mode travel will grow
11. Business travel will become desirable again in a responsible way
12. People need to meet people, people need to build, people need to help people and people need to travel



Thank You  
Any Questions