GBTA Business Travel Outlook Poll Q1 Results

January 31, 2023
Methodology

An online flash poll was conducted of GBTA members and non-members worldwide, including corporate travel managers and travel suppliers

- Data collection was conducted January 16-26, 2023
- An email invitation was sent to 19,101 travel professionals including current and inactive members of GBTA; a link to the survey was also included in GBTA's Daily News Brief sent to travel professionals worldwide
- In total, 637 business travel professionals responded
- Note: Some totals might not add to 100% because of rounding; each percentage is rounded to the nearest whole number
The State of Global Business Travel
Domestic Business Travel Leads the Recovery

The business travel recovery continues to move forward.

On average, travel managers estimate their company’s domestic bookings are at 67% of the pre-pandemic level. This is up from 63% in October 2022.

Q. Thinking about your company’s current domestic business travel bookings, how do they compare to the pre-pandemic (2019) level? Would you say your company is currently at…? Your best estimate is fine. Note: Question only displayed to travel buyers/procurement professionals (n=224).
The State of Domestic Business Travel (Cont.)

Q. Thinking about your company’s current domestic business travel bookings, how do they compare to the pre-pandemic (2019) level? Would you say your company is currently at…? Your best estimate is fine.

Note: Question only displayed to travel managers/procurement professionals

*indicates small sample size for travel buyers in Asia Pacific and Latin America regions

Europe’s domestic recovery slightly lags. On average, Europe-based travel managers estimate their company’s domestic business travel bookings have recovered to 63% of the pre-pandemic level.

This is slightly lower than the estimated average for North America (68%). However, Europe has seen stronger recovery of international bookings (see p. 9)

Caution: low sample size for Asia Pacific and Latin America regions

<table>
<thead>
<tr>
<th>Region</th>
<th>Estimated Average (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America (n=154)</td>
<td>68%</td>
</tr>
<tr>
<td>Europe (n=52)</td>
<td>63%</td>
</tr>
<tr>
<td>Asia Pacific (n=10*)</td>
<td>64%</td>
</tr>
<tr>
<td>Latin America (n=7*)</td>
<td>78%</td>
</tr>
</tbody>
</table>
The State of Domestic Business Travel (Cont.)

Domestic Business Travel Leads the Recovery

Domestic spend recovers at a similar pace as bookings. On average, travel managers estimate their company’s domestic business travel spend has recovered to 68% of the pre-pandemic level.

Q. Thinking about your company’s current domestic business travel spend, how does it compare to the pre-pandemic (2019) level? Would you say your company is currently at…? Your best estimate is fine.

Note: Question only displayed to travel buyers/procurement professionals (n=235).
**The State of Domestic Business Travel (Cont.)**

Q. Thinking about your company’s current domestic business travel spend, how does it compare to the pre-pandemic (2019) level? Would you say your company is currently at…? Your best estimate is fine.

*indicates small sample size for travel buyers in Asia Pacific and Latin America

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**Domestic spend recovers across the world.** On average, North America and Europe-based travel buyers estimate their company’s business travel spend has recovered to about two-thirds of the pre-pandemic level.

![Graph showing estimated averages by region](image)

<table>
<thead>
<tr>
<th>Region</th>
<th>Estimated Average</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America (n=153)</td>
<td>68%</td>
<td></td>
</tr>
<tr>
<td>Europe (n=50)</td>
<td>65%</td>
<td></td>
</tr>
<tr>
<td>Asia Pacific (n=10*)</td>
<td>65%</td>
<td>Caution: low sample size for Asia Pacific and Latin America regions</td>
</tr>
<tr>
<td>Latin America (n=7*)</td>
<td>83%</td>
<td></td>
</tr>
</tbody>
</table>

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Q. Thinking about your company’s current domestic business travel spend, how does it compare to the pre-pandemic (2019) level? Would you say your company is currently at…? Your best estimate is fine.

Note: Question only displayed to travel managers/procurement professionals

*indicates small sample size for travel buyers in Asia Pacific and Latin America
The State of International Travel

International business travel continues to slowly gain ground. Last January, international business travel remained virtually at a standstill with almost three in five travel managers (59%) saying their company “never” or “rarely” allowed these trips. In the ensuing months, these trips made a strong comeback. In October 2022, travel managers estimated their company’s international bookings had recovered to 50% of the pre-pandemic level on average. Since then, the recovery has slowed – but continues to trend in a positive direction. On average, travel managers currently estimate their company’s international bookings have recovered to 54% of the pre-pandemic level.

Q. Thinking about your company’s current international business travel bookings, how do they compare to the pre-pandemic (2019) level? Would you say your company is currently at…? Your best estimate is fine. Note: Question only displayed to travel buyers/procurement professionals (n=236).
Thinking about international bookings, are travel programs currently at...?

<table>
<thead>
<tr>
<th>Region</th>
<th>Estimated Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>50%</td>
</tr>
<tr>
<td>Europe</td>
<td>60%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>65%</td>
</tr>
<tr>
<td>Latin America</td>
<td>77%</td>
</tr>
</tbody>
</table>

Europe’s international recovery outpaces North America. While Europe-based travel managers report less recovery in domestic bookings (see slide 5), compared to their North American counterparts, they report more recovery in international bookings.

On average, Europe-based respondents estimate their company’s international bookings have recovered to 60% of their pre-pandemic level. This is higher than the estimated average for North America (50%).

Q. Thinking about your company’s current international business travel bookings, how do they compare to the pre-pandemic (2019) level? Would you say your company is currently at...? Your best estimate is fine.

Note: Question only displayed to travel managers/procurement professionals

*Indicates small sample size for travel buyers in Asia Pacific and Latin America regions.
The State of International Business Travel (Cont.)

International Business Travel Continues to Gain Ground

Q. Thinking about your company’s current international business travel spend, how does it compare to the pre-pandemic (2019) level? Would you say your company is currently at…? Your best estimate is fine. Note: Question only displayed to travel buyers/procurement professionals (n=235).

On average, travel managers estimate their company’s international business travel spend is at 58% of the pre-pandemic level.

Note: This average is an estimate. Respondents were given ranges in 10-point intervals and the average was calculated using the midpoints of these ranges.

International spend outpaces bookings. On average, travel managers estimate their company’s international business travel spend has recovered to 58% of the pre-pandemic level. This is higher than the estimated recovery level for international bookings (54%) which suggests that companies are spending more per international trip than they did before the pandemic.
Thinking about international spend, are travel programs currently at…?

<table>
<thead>
<tr>
<th>Region</th>
<th>54%</th>
<th>61%</th>
<th>73%</th>
<th>83%</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America (n=145)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe (n=53)</td>
<td></td>
<td>61%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia Pacific (n=10*)</td>
<td>73%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Latin America (n=7*)</td>
<td></td>
<td></td>
<td>83%</td>
<td></td>
</tr>
</tbody>
</table>

Caution: low sample size for Asia Pacific and Latin America regions

On average, Europe-based respondents estimate their company’s international business travel spend has recovered to 61% of the pre-pandemic level. This compares to 54% in North America.

Q. Thinking about your company’s current international business travel spend, how does it compare to the pre-pandemic (2019) level? Would you say your company is currently at…? Your best estimate is fine.

Note: Question only displayed to travel managers/procurement professionals

*indicates small sample size for travel buyers in Asia Pacific and Latin America
Are Employees Willing to Travel For Work?

Do travel managers think their company’s employees are willing to travel?

- Not willing at all
- Not willing
- Neither willing nor unwilling
- Somewhat willing
- Very willing
- Not sure

Willingness to travel soars. Nine in 10 travel buyers (91%) say their company’s employees are at least somewhat willing to travel for work in the current environment.

While this is similar to the figure obtained in October 2022 (86%), there has been a dramatic increase in the share who feel their employees are “very willing” to travel. Almost seven in 10 travel managers (69%) say their company’s employees are very willing to travel (compared to 44% in October).

Q. Thinking about your company’s employees, please rate their willingness to travel for business in the current environment?

Note: Only displayed to travel managers/procurement professionals (n=191-448)
Key Highlights
Travel Managers Expect More Trips This Year

Business leaders widely anticipate a recession this year. However, travel managers expect more business travel.

Three-quarters of travel managers (77%) expect their company will take more business trips this year than it did last year. Only 7% expect their company will take fewer trips.

Q. This year (2023), do you expect your company will engage in more or less business travel than it did last year? (n=275)
Regardless of Region, Travel Managers Expect Their Company Will Take More Business Trips

Do travel managers expect their company will engage in more or less business travel this year?

- **North America (n=184)**
  - We will take fewer/a lot fewer business trips in 2023: 6%
  - We will take the same amount of business trips: 10%
  - We will take more/A lot more business trips: 77%

- **Europe (n=67)**
  - We will take fewer/a lot fewer business trips in 2023: 17%
  - We will take the same amount of business trips: 10%
  - We will take more/A lot more business trips: 79%

- **Asia Pacific (n=14*)**
  - We will take fewer/a lot fewer business trips in 2023: 7%
  - We will take the same amount of business trips: 7%
  - We will take more/A lot more business trips: 79%

- **Latin America (n=8*)**
  - We will take fewer/a lot fewer business trips in 2023: 1%
  - We will take the same amount of business trips: 1%
  - We will take more/A lot more business trips: 7%
  - Not sure: 0%

Q. This year (2023), do you expect your company will engage in more or less business travel than it did last year?

Note: Question only displayed to travel managers/procurement professionals

*indicates small sample size for travel buyers in Asia Pacific and Latin America

Regardless of region, travel managers expect their company will take more business trips this year. More than three-quarters of North American and European travel managers expect their company will take more trips.
Travel Suppliers and TMCs Are Optimistic About Business This Year

86% expect their company will take more business trips this year

60%
26%
9%

Do travel supplier and TMC employees expect business travel spending by corporate clients will be…?

travel supplier/TMC employees only

- Much lower than it was last year (more than a 20% decline in business travel spending compared to 2022)
- Somewhat lower than it was last year (approximately a 1%-20% decline in business travel spending compared to 2022)
- About the same as it was in 2022
- Somewhat higher than it was last year (approximately a 1-20% increase in business travel spending compared to 2022)
- Much higher than it was last year (more than a 20% increase in business travel spending compared to 2022)
- Not sure

Q. Which of the following best describes your expectations for next year (2023) for your company’s business travel?

Note: Question only displayed to travel managers/procurement professionals (n=283)

*indicates small sample size for North America-based travel managers (n<30)

Travel suppliers are optimistic about business travel. Almost nine in 10 respondents (86%) who work for a supplier or TMC expect spending by their corporate clients will be higher this year. This includes one-quarter (26%) who expect spending will be much higher.
Regardless of Region, Travel Suppliers Are Optimistic About This Year

Do travel supplier/TMC employees expect business travel spend by corporate customers to be higher or lower than it was last year? *supplier/TMC employees only*

<table>
<thead>
<tr>
<th>Somewhat lower/Much lower than it was last year</th>
<th>About the same as it was last year</th>
<th>Somewhat higher/Much higher than it was last year</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America (n=232)</td>
<td>Europe (n=30)</td>
<td>Asia Pacific (n=9*)</td>
<td>Latin America (n=11*)</td>
</tr>
<tr>
<td>1% 0% 0% 0%</td>
<td>10% 7% 0% 0%</td>
<td>85% 100% 100% 91%</td>
<td>4% 3% 0% 9%</td>
</tr>
</tbody>
</table>

Q. This year (2023), do you expect your company will engage in more or less business travel than it did last year?  
Note: Question only displayed to travel managers/procurement professionals  
*indicates small sample size for travel buyers in Asia Pacific and Latin America
Almost Half of Travel Supplier/TMC Employees Say Their Company Has Fewer Staff Than It Did Pre-Pandemic

<table>
<thead>
<tr>
<th>How Does Company Staff Size Compare to Pre-Covid Level?</th>
<th>travel supplier/TMC employees only</th>
</tr>
</thead>
<tbody>
<tr>
<td>46%</td>
<td>Much smaller/Somewhat smaller</td>
</tr>
<tr>
<td>28%</td>
<td>About the same</td>
</tr>
<tr>
<td>25%</td>
<td>Much larger/Somewhat larger</td>
</tr>
</tbody>
</table>

Q. Thinking about your company’s staff size, is it larger or smaller than it was pre-pandemic (2019)?

Note: Question only displayed to travel supplier/TMC employees (n=248)

Travel suppliers and TMCs were forced to reduce staff during the pandemic. To this day, many of these companies have not fully re-staffed.

Almost half of travel supplier and TMC employees (46%) say their company’s staff size is smaller than it was before the pandemic. This has led to concerns about quality of service and account management.
Travel Suppliers and TMCs Expect to Add Staff This Year

Despite recession fears, travel suppliers and travel management companies expect to add staff. More than two-thirds (65%) of respondents who work for a supplier or TMC expect their company’s staff size will increase this year.

Q. This year (2023), do you expect your company will increase or decrease its overall staff size compared to 2022?
Note: Question only displayed to travel supplier/TMC employees (n=248)
Travel Programs Largely Have Similar Staff Levels as They Did Pre-Pandemic

While many travel suppliers have emerged from the pandemic with fewer staff, the same has rarely happened with travel programs.

Travel buyers were asked how their program’s staff compares to the pre-pandemic level. More than half (56%) say it is about the same. Roughly one in five say it is larger (22%) than it was pre-pandemic.

Q. Thinking about your travel program’s staff size, is it larger or smaller than it was pre-pandemic (2019)?
Note: Question only displayed to travel buyers/procurement professionals (n=272)
Some Travel Managers Expect Their Program Will Add Staff This Year

Will your travel program’s staff size increase or decrease in 2023?  
*Travel buyer/procurement professionals only*

- Decrease a lot
-Decrease somewhat
- Remain the same
-Increase somewhat
-Increase a lot
-Not sure

- 21% Increase somewhat + a lot

4% 70% 17% 4%

Q. This year (2023), do you expect your travel program will increase or decrease its overall staff size compared to 2022?  
Note: Question only displayed to travel buyers/procurement professionals (n=269)

Some travel managers expect to add staff to their program. Seven in 10 travel managers (70%) expect their program’s staff size will not change this year. However, a decent number (21%) expect it will increase. This could reflect the growing scope and responsibilities of travel programs.

Increasingly, programs are focused on sustainability and workforce mobility and might need additional staff to help tackle these new priorities.
Which Types of Business Trips Will Companies Take in 2023?

<table>
<thead>
<tr>
<th>Type of Trip</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales/account management meetings with current or prospective customers</td>
<td>28%</td>
</tr>
<tr>
<td>Internal company meetings with colleagues</td>
<td>19%</td>
</tr>
<tr>
<td>Conferences, trade shows, or industry events</td>
<td>18%</td>
</tr>
<tr>
<td>Service trips (such as repairs, training or equipment installation) with current customers</td>
<td>14%</td>
</tr>
<tr>
<td>Employee training or development</td>
<td>9%</td>
</tr>
<tr>
<td>Supplier meetings</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>6%</td>
</tr>
</tbody>
</table>

While sales trips will lead the way, internal and conference travel are close behind. On average, travel managers estimate their company will allocate 28% of its travel spend to sales/account management trips in 2023.

This is higher than the share for any other type of trip. However, travel managers also expect their company will allocate a decent share of spend to internal (19%) and conference travel (18%) on average.
Almost Half of Travel Programs Will Have a Higher Budget for Their Operations This Year

Many travel programs have a higher budget for operations this year. Travel programs commonly have budgets to cover operations. These budgets might cover travel manager salaries, consulting fees, and technology, among other things.

Almost half of travel managers (46%) say their program’s budget is higher this year than it was last year. Two in five (41%) say their budget is about the same while one in 10 (10%) say it is lower.

Q  This year (2023), do you expect the budget expenditures for your company’s travel program operations (i.e., staff salaries, technology, consultants, etc.) will be higher or lower than it was last year (2022)? Note: This asks about the budget for your travel program’s operations (i.e., staff salaries, technology, consultants, etc). It does not ask about any budget for actual business trips)
Note: Question only displayed to travel buyers/procurement professionals (n=259)
Will Stricter Approval Processes Persist Post-Pandemic?

During the height of the pandemic, many travel programs adopted stricter pre-trip approval processes because of risk management concerns. While they previously required employees to obtain approval from their manager in order to travel, they now required approval from additional stakeholders—such as risk, HR, legal, or senior leadership. As the pandemic wanes, this approach might have staying power.

With companies cutting cost in anticipation of a possible recession, they might require trips to be approved by the finance/accounting department. Or, they might require approval from the travel department or the sustainability/CSR department. More than one-quarter of travel programs (27%) still require manual approval of non-executive domestic trips by stakeholders outside of the employee’s chain of command “most of the time” or “all of the time.” Two-fifths of travel programs (41%) require such approval for non-executive international trips “most of the time” or “all of the time.”

Q Thinking about the following types of business trips, how often does your company’s travel policy require employees to obtain manual pre-trip approval for their trip by staff or executives who do not supervise them, or are not higher in their chain of command? Examples include travel, risk, sustainability, finance, or HR managers who do not supervise the employee who is seeking to travel.

Note: Question only displayed to travel buyers/procurement professionals
Regardless of region, a decent number of travel programs require manual approval of trips by someone outside of the employee’s chain of command—such as a travel manager, risk manager, or finance manager.

A similar number of North America and Europe-based travel buyers say their company at least sometimes requires such approvals for non-executive domestic and international trips.
Some industries have recently fared better than others. Respondents who work for a travel supplier or TMC were asked to pick three industries that have had the strongest growth in business travel spend in the past year, and three that have had the weakest growth. They commonly say finance and insurance (34%) and professional, consulting, scientific and technical (32%) saw the strongest growth. These industries largely resumed travel last year after lagging other industries—such as manufacturing—in 2021.

However, other industries continue to lag behind. A decent number of travel suppliers saw weak growth from the non-profit sector (35%), software, hardware, and technology (24%), educational services (22%) and public administration (20%).

Which Industries Fared Better Last Year?

<table>
<thead>
<tr>
<th>Strongest growth in business travel spend in the past year</th>
<th>Weakest growth in business travel spend in the past year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance and Insurance</td>
<td>Retail/Wholesale Trade</td>
</tr>
<tr>
<td>Professional, Consulting, Scientific, and Technical</td>
<td>Educational Services</td>
</tr>
<tr>
<td>Software, Hardware, and Technology</td>
<td>Public Administration</td>
</tr>
<tr>
<td>Travel and Meetings Management</td>
<td>Non-profit, Association, and Foundation</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Other services</td>
</tr>
<tr>
<td>Mining, Oil and Gas Extraction, and Utilities</td>
<td></td>
</tr>
<tr>
<td>Media, Information, and Communications</td>
<td></td>
</tr>
<tr>
<td>Arts, Entertainment, and Recreation</td>
<td></td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td></td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td></td>
</tr>
<tr>
<td>Retail/Wholesale Trade</td>
<td></td>
</tr>
<tr>
<td>Educational Services</td>
<td></td>
</tr>
<tr>
<td>Public Administration</td>
<td></td>
</tr>
<tr>
<td>Non-profit, Association, and Foundation</td>
<td></td>
</tr>
</tbody>
</table>

Q    Thinking about your company’s corporate clients/customers specifically, which of the following industries have seen the strongest/ weakest growth in business travel spend in the past year? Please select up to three. Note: Question only displayed to travel supplier/TMC employees (n=229-244)
Most respondents support COVID testing requirements for inbound passengers from China. China has recently seen a rising number of COVID-19 cases and some countries—including the U.S. and Japan—have re-introduced testing requirements for inbound passengers from China.

Under these policies, passengers might need to test negative prior to departure, or provide proof of recent recovery. More than half of respondents (56%) support these policies and think they should be continued. One in five (18%) think countries should have less strict COVID-19 requirements for passengers entering from China.
Support for Restrictive China-Related COVID Policies Is Consistent Across Regions

Do respondents support requiring negative COVID tests—or proof of recovery—for inbound passengers from China?

by region

<table>
<thead>
<tr>
<th>Region</th>
<th>I support these policies and think they should be continued</th>
<th>Countries should have less strict COVID-19 requirements for passengers entering from China</th>
<th>Countries should have stricter COVID-19 requirements for passengers entering from China</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America (n=396)</td>
<td>62%</td>
<td>20%</td>
<td>26%</td>
<td>11%</td>
</tr>
<tr>
<td>Europe (n=90)</td>
<td>55%</td>
<td>29%</td>
<td>7%</td>
<td>16%</td>
</tr>
<tr>
<td>Asia Pacific (n=21*)</td>
<td>52%</td>
<td>16%</td>
<td>7%</td>
<td>14%</td>
</tr>
<tr>
<td>Latin America (n=19*)</td>
<td>42%</td>
<td>16%</td>
<td>8%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Attitudes about China-related COVID policies do not vary much by region.

Q. Some countries have recently introduced policies that require passengers who are boarding inbound flights from China to provide a negative COVID-19 test or proof of recent recovery in order to enter. Which of the following best describes your view as an industry professional?

*denotes small sample size for Asia Pacific and Latin America (n<30)
Most Business Travel Professionals Think Restrictive COVID-Related Policies Will Hurt Business Travel To and From China

How will China-related COVID policies impact the amount of business travel to and from China?

- 52% expect these policies will lead to a significant/moderate decrease in the amount of business travel to and from China
- 26% think these policies will lead to a significant increase in the amount of business travel to and from China
- 18% believe these policies will lead to a moderate increase
- 15% expect these policies will not have an impact on the amount of business travel to and from China
- 10% think these policies will lead to a moderate decrease
- 3% believe these policies will lead to a significant decrease in the amount of business travel to and from China
- 4% are not sure

Q: Some countries have recently introduced policies that require passengers who are boarding inbound flights from China to provide a negative COVID-19 test or proof of recent recovery in order to enter. Which of the following best describes your view as an industry professional? (n=522)
Regardless of Region, Most Business Travel Professionals Think COVID-Related Policies Will Hurt Business Travel To and From China

Across the world, a fairly similar number of business travel professionals think restrictive COVID-related policies will hurt business travel to and from China.

Q. Some countries have recently introduced policies that require passengers who are boarding inbound flights from China to provide a negative COVID-19 test or proof of recent recovery in order to enter. Which of the following best describes your view as an industry professional?

*denotes small sample size for Asia Pacific and Latin America (n<30)
U.S. Travel Policies Are Split When It Comes to Travel to China

How Do U.S. Travel Policies Currently Address Travel Policies to China?

- Employees are typically allowed to travel to China
- Employees are typically allowed to travel to China – but we recommend against it
- Employees are typically not allowed to travel to China
- Not sure

Q: China has recently seen a rising number of COVID cases. Some countries require negative COVID tests for inbound passengers who are entering from China. Thinking about your company specifically, how does it currently address business travel to China?

Note: Question only displayed to U.S.-based travel managers (n=150)
Thank you for your interest in GBTA Research

For more information on this research or to discuss how GBTA can assist with your research needs, reach out to Chris Ely and Mark Sharoff at research@gbta.org.