

Making the Case for Business Travel in a World of Virtual Alternatives



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For most companies, business travel is critical to running a successful operation. Sending employees out on the road is your best bet for accomplishing a host of objectives, like making big sales,

checking in on geographically dispersed locations, keeping tabs on manufacturing and distribution operations, cementing partnerships, and accomplishing myriad other goals. For these and similar tasks, employees need to pack their bags, show up in person, and work their magic.

At the same time, business travel costs are on the rise. The reduced rates that businesses have enjoyed—due to lower gas prices and a weaker economy—are becoming a thing of the past, according to the 2018 Global Travel Forecast. In fact, the report predicts a 3.5% rise in airfares worldwide next year and a 3.7% jump in hotel rates. Taxi services and other ground transportation rates are expected to rise at a slower rate, only by .6% by 2018, but will increase 5.5% by 2022.

In spite of these cost increases, business travel remains healthy. The GBTA Foundation reports that it is currently a \$1.3 billion business, and is growing stronger. The Foundation's annual Global Report and Forecast predicts a 6.1% rise next year, and 7.4% growth by 2021.

Still, corporations are taking a conservative approach to business travel spending as they keep watch on public policy, inflation, exchange rates, and economic growth. Based on this uncertainty, and the rising costs, the expense of business travel for some types of trips may be a bit harder to justify to managers watching the bottom line.

To keep expenses in check, some businesses will consider foregoing travel in certain instances, and, instead, choosing alternative means to accomplish what only travel could in the past. These alternatives can include a host of video and phone conferencing technologies that make it easy for employees to meet with remote contacts while staying put. These technologies also promise to cut costs, save time, and keep employees productive. But the question is: In what situations should these tools be used? When should employees stay, and when should they go?

This paper will explore factors that companies need to weigh when deciding between business travel and virtual conferencing. It will also look at some ways new game-changing travel services and technologies can help make these decisions easier by bringing trip expenses down, boosting productivity, and improving the overall travel experience.



Next Best Thing to Being There?



Over the past decade, purveyors of various video and phone conferencing solutions have honed their products to offer many benefits formerly realized only through business travel. Video conferencing services in particular laud the benefits of “face-to-face” conversation, offering crystal clear video that can capture people’s expressions and other nuances. Added file-sharing and presentation features make it easy not only to meet but also to collaborate on projects and other business tasks. Secondarily, email and online collaboration tools have been embraced by some organizations as substitutes for business travel.

By having employees meet virtually through these technologies, some companies believe they can reduce both travel expenses and the employee downtime that occurs when people are moving from place to place.

Online travel alternatives also offer convenience for many employees, giving them the flexibility to work from home or from just about any other location and to virtually communicate with colleagues at different company sites. In addition, virtual solutions are helpful for providing access to experts who would not be able to meet in person, such as an IT expert who needs to assist employees or customers from all over the globe each day.

But for many situations, video and phone conferencing and other collaboration tools and technologies just don’t work well as replacements for business travel. For instance, when it’s important to get to know people on a deeper level, remote conferencing—no matter how clear the “face-to-face” picture—just doesn’t fit the bill. True in-person meetings can be essential to closing a deal, forming key partnerships, or demonstrating leadership through a conference or other presentation. Only through live meetings can one really learn what makes someone tick. That knowledge comes from building relationships over in-person meetings, as well as dinner, sports, networking events, and other activities.

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How to Keep Millennial Road Warriors Happy

Trying to attract Millennials to your company? Business travel opportunities that make it easy for employees to combine business with leisure might be just the perk you need to reel in this much sought-after group, and keep their job satisfaction high.

According to a GBTA Foundation study, one out of every two Millennial travelers say they often or always extend trips to include leisure time. Moreover, these trips may help boost the productivity of these younger workers. The study shows that three out of five Millennials believe they work somewhat or substantially more when they are traveling than when they are not. Almost half say they put in at least 10 hours more when on the road.

Bottom line: Give Millennials and other road warriors the chance to add a little downtime to their business travel. It’s not only likely to make them happier and reduce stress, but may ultimately improve their overall performance and effectiveness during the trip.

Source: GBTA Foundation Business Traveler Sentiment Index

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Some employees routinely need to tour remote locations, such as factories, distribution facilities, partner sites, and different company sites. No video conferencing or 360-online-touring technology is going to provide the full perspective required to assess a situation, troubleshoot problems, or evaluate business decisions. Employees have to be at the sites, in person, to really see and understand what's going on.

Another issue with replacing business travel with remote conferencing is engagement. Various studies have shown that online conferencing participants are more likely to be distracted—by their multitasking, and other activities like texting, talking with coworkers while on mute, and eating while virtual meetings are in progress. Similar studies indicate that multitasking reduces productivity by about 40%.

For these reasons, when the stakes are high, video and phone conferencing just can't measure up to a true in-person interaction. The business traveler simply needs to be on the ground at the remote location to get the job done right.



Multitasking Hinders Speed, Performance, and More



Many employees view video and phone conferences as a great time to multitask and get other work and activities (like lunch) out of the way, but according to several studies, it doesn't always work out that way. These studies have reported that people are less productive, can suffer from brain overload, and perform worse when trying to accomplish too many things at once. For example:

- Researchers at Stanford University found that subjects who were bombarded with several streams of information could not pay attention, remember information, or switch from one job to another as well as those who completed one task at a time.
- In a study at the French National Institute of Health and Medical, subjects were asked to complete two or more tasks at the same time while their brains were scanned by an MRI machine. The results showed that the brain splits in half when asked to do more than one thing at a time, and becomes overwhelmed with more simultaneous tasks. The multitasking also had a significant impact on their performance, causing them to forget details and make many more mistakes.

Sources: Journal of Experimental Psychology, Stanford News and Science

40% longer In an American study reported in the Journal of Experimental Psychology, it took students **40% longer** to solve complicated math problems when they had to switch to other tasks before returning to the problem.

Cutting Costs, Improving Results



When an in-person presence is a must, finance and travel managers have to figure out how to reduce the impact on the bottom line. That means making employee trips more cost effective, efficient, productive, and even more enjoyable.

At present, static corporate policies, outdated travel planning technology, and disjointed travel booking methods are hindering that effort. In some businesses, employees make their own travel plans, with little attention to cost, causing companies to overspend and miss out on savings opportunities. Add to that the time and productivity loss in the event that plans are disrupted (as when flights are cancelled or delayed), and the frustration of the employees and those they have to meet when the travelers can't get to their destinations on time.

Luckily, new technology-driven corporate travel management services and resources can address some of these problems. They help streamline the travel management process, giving businesses the benefits of having someone on location, while cutting costs, boosting productivity, and keeping employees happy.

These include employee tools and services that offer:

- Rewards that give employees incentives to adhere to business travel policies and save their company money
- Modern, convenient mobile apps that serve as virtual travel assistants and improve the travel experience (and that are especially attractive to tech-savvy Millennial business travelers)
- 24/7 proactive support for traveling employees that monitors scheduling changes and adapts to the travelers needs
- Tools that use artificial intelligence and machine learning to keep track of travelers' preferences and personalize all aspects of the travel experience
- Special travel perks that make the trip experience more enjoyable for employees, such as the opportunity to combine business and leisure trips, which can potentially improve their overall job satisfaction

Tools, services, and resources that can help out management include:

- Dynamic, cohesive travel policies that tap into real-time travel market savings
- Dashboards that offer finance and other business travel decision-makers full visibility into trips so they can make better business choices around budgeting and can monitor travel trends
- Bigger inventories of accommodation and transportation options from direct sources and popular consumer sites with deeply discounted offers
- Integration with expense reporting software to simplify management of travel budgets and HR employee management platforms

Conclusion: Tapping Into the Best of Both Worlds



These new corporate travel management solutions not only help bring costs down, but can even improve the bottom line in other ways, such as boosting employees' professional effectiveness during

the trip (so they make the sales, see where to cut costs on the factory floor, or forge lucrative new partnerships). The added support, convenience, and perks of these new technologies translate to happier, more relaxed, well-rested employees. These people are apt to perform better at the remote site than those who arrive tired and stressed out due to the frustrations of dealing with travel plan disruptions.

In spite of rising costs and increasingly comprehensive new online conferencing technologies, business travel is here to stay. Virtual conferencing and email can help connect remote participants while saving time and money, but in most cases, it can't measure up to the impact of an employee's actual presence, and can actually reduce engagement, productivity, and effectiveness.

To help travel decision-makers stave rising costs and justify the expenses, new travel services and technologies offer a range of cost-cutting services, convenient tools, support options, and even perks that can significantly improve the travel experience. These technologies can essentially offer companies the best of both worlds: cost-efficient travel and the benefits of being there.

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