

TRENDS

THE INSIDE STORY FOR BUSINESS TRAVELLERS

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while we were away

IN THE AIR

Making travel work

Business travel is rallying after the enforced lull, buoyed by people's desire to meet clients in person, connect with colleagues and attend trade shows.

Marisa Cannon reports

After 18 months of intermittent global lockdowns, business travel is making a comeback. A survey by consulting firm Oliver Wyman in June this year found that around three-quarters of business travellers expect to travel the same amount or even more than they did pre-pandemic in the coming months, thanks to pent-up demand and a resurgence in business activity worldwide.

The CEOs of British Airways' parent company IAG and oneworld partner Qatar Airways agree that a resurgence is afoot. "The shape of business travel may change, but face-to-face meetings are going to be crucial," says IAG's Luis Gallego, who adds that around half of IAG's corporate customers have said they will fly before the end of the year. According to Qatar's Akbar Al Baker, business-class occupancy on his planes is already higher than pre-pandemic in markets where travel is allowed. "Businesspeople don't like to just sit in front of a screen and conduct business," he says. "They like to face people and notice the body language."

The importance of those face-to-face meetings in far-flung corners of the world can't be underestimated. A study last year by Harvard University's Growth Lab used transaction data from Mastercard to map the flow of business travel around the world and concluded that a drop in business travel contributed to a fall in global GDP of around five per cent.

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“In statistical terms, business travel has the most substantial impact among a range of bilateral relationships between countries, such as trade, foreign direct investments and migration,” said the study’s authors. South Korea, China, Vietnam, Thailand and the Philippines would be most affected if businesses stopped travelling altogether, but the impact would also be felt acutely in countries such as India, Germany, the US and Saudi Arabia. Estimates suggest that the economies of Austria, Ireland, Switzerland and Denmark are over a third larger thanks to the effects of business travel.

As many firms adopt hybrid working models, business travel is also likely to be boosted by the rise of team off-sites, which will take on a new importance for companies looking to maintain a strong culture among employees. With fewer opportunities for casual interactions around the office, organisations with distributed workforces are likely to bring staff together for team-building and training excursions in interesting destinations. CEOs may also want to board a plane to make long-delayed site visits and shake the hands of employees they’ve never met.

“Those who are off-site by default are always going to want human connection,” says Darren Murph, head of remote at GitLab. “What ends up happening is travel becomes a core part of culture building. Business travel should get a lot more dynamic. You’re going to have teams of ten, 15 or 20 people who suddenly need an off-site every quarter or so, to build strategy, to bond or to build relationships.”

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And it’s not just small teams that will benefit from a little time spent breathing some different air. “I think we’ll see a resurgence of bigger group getaways, whether it’s a whole company or a country team,” says Graham Alderman, managing director of Ulterior Events. “One of our oldest clients swears by the benefits of the annual full company retreat we run for him. It gets employees away from their desks and into a completely different environment, providing a space for them to relax, re-energise and let their hair down. “Exclusive use properties will be in particularly high demand over the next year,” he adds, “whether they’re 25 rooms or 250 rooms.”

While many conventions and business events were forced to retreat into the virtual world over the last 18 months, they’re now beginning to venture back into the physical space. Las Vegas, one of the world leaders in conventions, hosted its first event since the start of the pandemic in June, while London’s Olympia and Excel centres are ramping up their in-person trade shows with the World Travel Market, Hotel360, the Finance Professional Show and the International Cyber Show taking place this autumn.

The safety of those attending trade shows and similar events will undoubtedly still be a major focus. One of the government bodies to quickly mobilise in the face of Covid was Singapore’s Emerging Stronger Taskforce, which convened an alliance of business leaders to find ways to deliver safe and innovative visitor experiences. Among the trials was an AI solution consisting of temperature-scanning, mask detection, social distance monitoring, cough/flu detection and crowd density flow control, which was debuted at TravelRevive, the first trade show to take place physically in Asia Pacific during the pandemic.

As physical events begin to proliferate, event tech and innovations such as this will continue to shore up confidence among planners and attendees alike. Singapore Tourism Board’s executive director of exhibitions and conferences Andrew Phua says: “As the Covid-19 situation remains highly dynamic, an agile approach with safety at its core will enable business events to continue even amidst uncertain times.”

And as you begin planning your own return to the world of business travel, don’t forget the benefits to be won from loyalty programmes. There are currently some great offers out there. For example, for travellers who opt for a working holiday with stays of four nights or more, Marriott’s Bonvoy scheme – the combined programme of Marriott, Starwood and Ritz-Carlton – gives members their fifth night free. The programme also lets you earn Avios when staying at the group’s properties, as well as the option to exchange Marriott Bonvoy points for Avios.

With British Airways’ On Business loyalty programme, members can get money off selected flights, earn personal Avios towards reward flights, and get cabin upgrades. You can also supercharge your points-earning with the British Airways American Express® Accelerating Business Card, which is currently offering a Welcome Bonus for new members of 60,000 Avios. ■