

BUSINESS TRAVEL TRACKER – 2022 Q1

SUMMARY RESULTS

IN COLLABORATION WITH

U.S. TRAVEL
ASSOCIATION®

J.D. POWER TRAVEL & HOSPITALITY
INTELLIGENCE

Introduction

The Business Travel Tracker is a new monitor prepared by Tourism Economics for the U.S. Travel Association, in collaboration with J.D. Power. The Tracker includes a quarterly survey of business travelers and the Business Travel Index (BTI) which provides a timely measure of business travel activity in the U.S. during the most recent quarter, based on indicators such as hotel room demand, air passenger volumes, and arrivals of international business travelers. The forward-looking components of the BTI provide a glimpse of the current quarter, including hotel and air bookings, and the results of a quarterly survey of business travelers. The business conditions leading index measures the context for business travel in the current quarter, based on forecasts of macroeconomic variables and other leading indicators.

In addition to J.D. Power, STR and TravelClick are key data contributors.

Survey background

- **Respondents: 2,593**
- Responses collected between **March 4 and 14, 2022.**
- Online survey of travelers at Harry Reid International Airport (**LAS**) and Miami International Airport (**MIA**).
- **Answered that business travel is an aspect of their current job** (or will be after the pandemic), and **are employed.**
- Conducted by J.D. Power.

Key findings

- Business travelers expect to resume traveling at a similar frequency as pre-pandemic, **averaging about 1.6 trips per month (compared to 1.7 pre-pandemic)**. The share of expected business trips accounted for by trips for external purposes, such as meeting primarily with people from outside their organization, remained approximately stable with the pre-pandemic share at 50%, with the remainder accounted for by trips for internal purposes. Of external business travelers, 88% expect to take at least one trip in the next six months.
- **One-third of business travelers are unsure or expect to travel less to attend conferences/ conventions/tradeshows in the next 6 months than before COVID-19.** Nearly one-quarter (24%) of business travelers plan to take more trips to attend conferences/conventions/tradeshows than they did pre-pandemic and 28% expect to travel more to visit customers and suppliers, while just 17% and 13% expect to travel less for both purposes, respectively.
- Many business travelers expect to make **more – rather than fewer - trips to meet with customers, suppliers and other external stakeholders** than they did pre-pandemic (15% net positive), and **more trips for the purpose of internal team or department meetings** (10% net positive).
- Business travelers report **developing relationships is the most important aspect of their business trips, followed by closing sales and building awareness** of their organization's products or services.
- **One-third of business travelers work fully remote and four in five work remotely at least some of the time.** Many business travelers who work partially or fully remote report that their employer encourages them to **travel to engage with other team members in person (38%), to attend training sessions in person (32%), or to attend in-person company or team celebrations (29%)**. Fewer than one-in-five partially or fully remote business travelers report they are not encouraged to travel.
- About **6% of business travelers report they are not sure if they will take a business trip over the next six months**. The most frequently cited reason was that meetings and conferences are not occurring (16%), or that their company is currently restricting business travel (13%). Just 12% of respondents who are unsure if they will take a business trip over the next six months referenced video conferencing as a reason.



EXECUTIVE SUMMARY

Average monthly trips

Business travelers expect to resume traveling at a similar frequency as pre-pandemic, averaging about 1.6 trips per month (compared to 1.7 pre-pandemic).

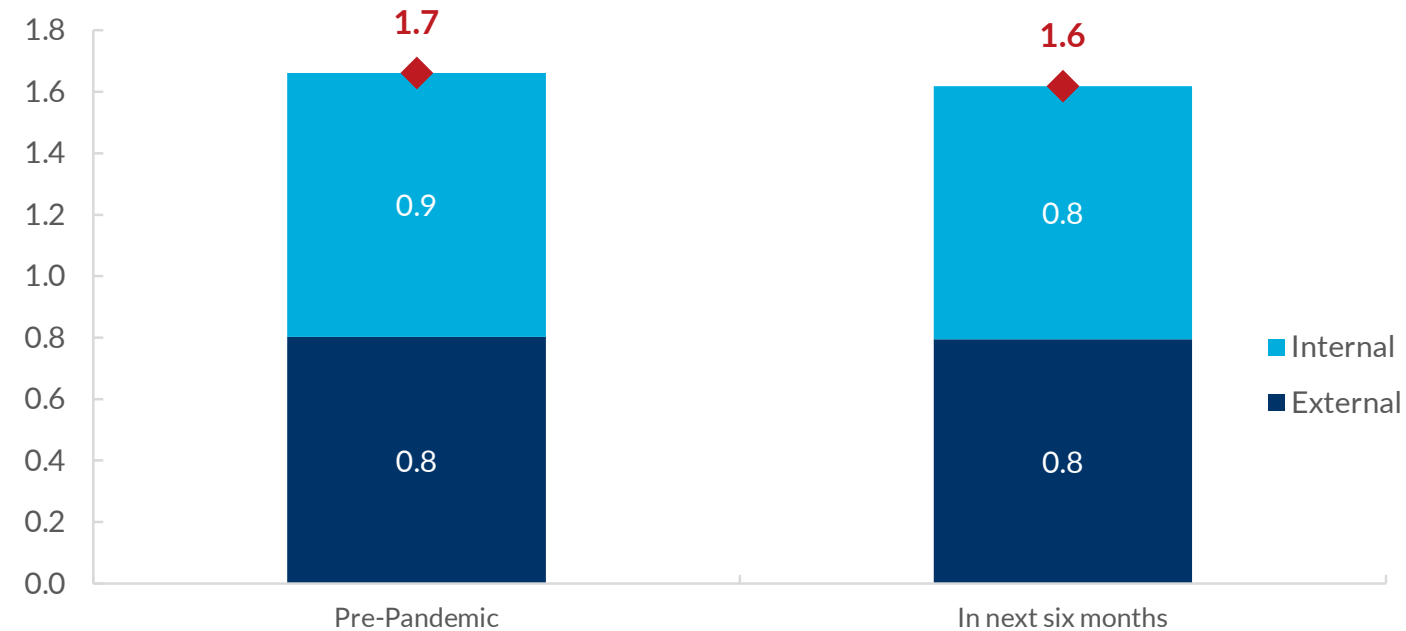
The share of expected business trips accounted for by trips for external purposes, such as meeting primarily with people from outside their organization, remained approximately stable with the pre-pandemic share at 50%, with the remainder accounted for by trips for internal purposes.

Of external business travelers, 88% expect to take at least one trip in the next six months.

Business travelers expect 1.6 trips per month

Average trips per month

(Average monthly trips by business travelers)



Source: JDPower Survey of Business Travelers

Internal (external) refers to trips primarily to meet with participants from within (outside) the travelers' organization.

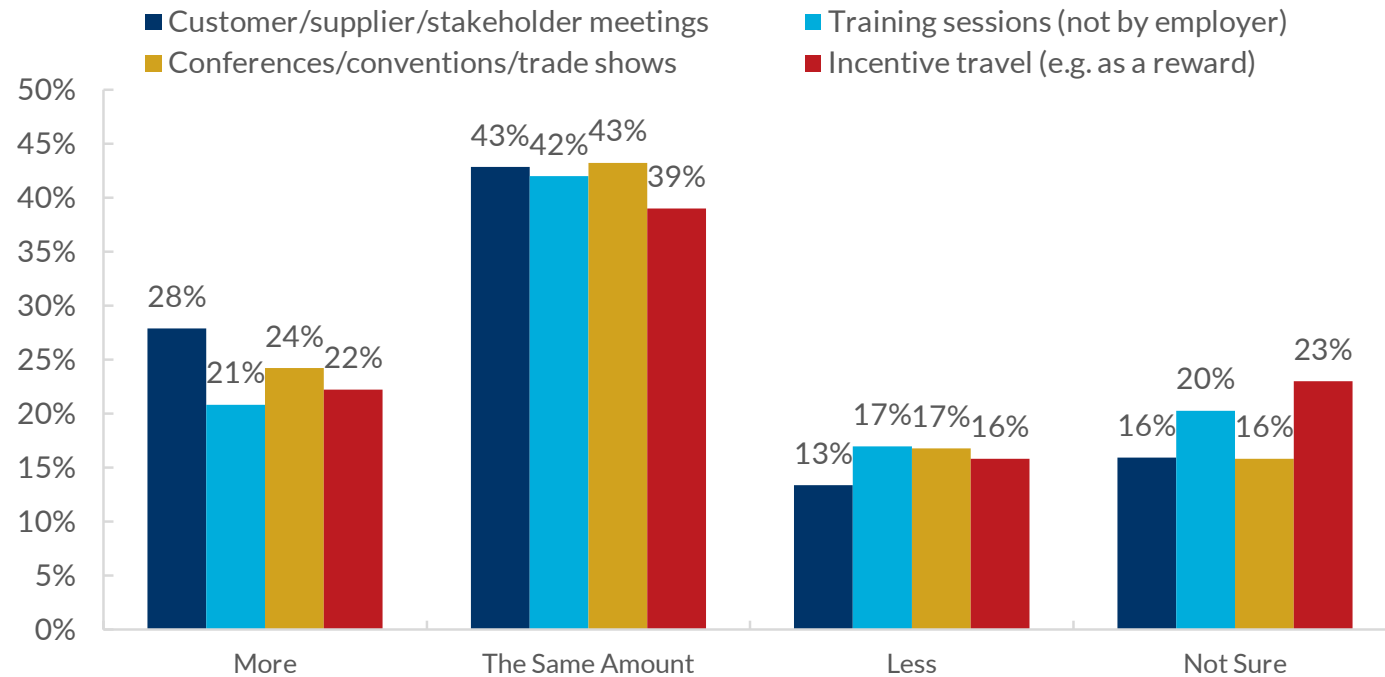
External business travel

One-third of business travelers are unsure or expect to travel less to attend conferences/conventions/tradeshows in the next 6 months than before COVID-19.

Nearly one-quarter (24%) of business travelers plan to take more trips to attend conferences/conventions/tradeshows than they did pre-pandemic and 28% expect to travel more to visit customers and suppliers, while just 17% and 13% expect to travel less for both purposes, respectively.

Travelers to resume external business travel

Travel for external business purposes versus pre-pandemic
(Share of business travelers surveyed about external trips)



[q4] For each of the following external business travel purposes, how often do you expect to travel over the next 6 months, compared to a similar period before the Covid-19 pandemic?

BASE: External meetings N = 1062

Expectations for travel

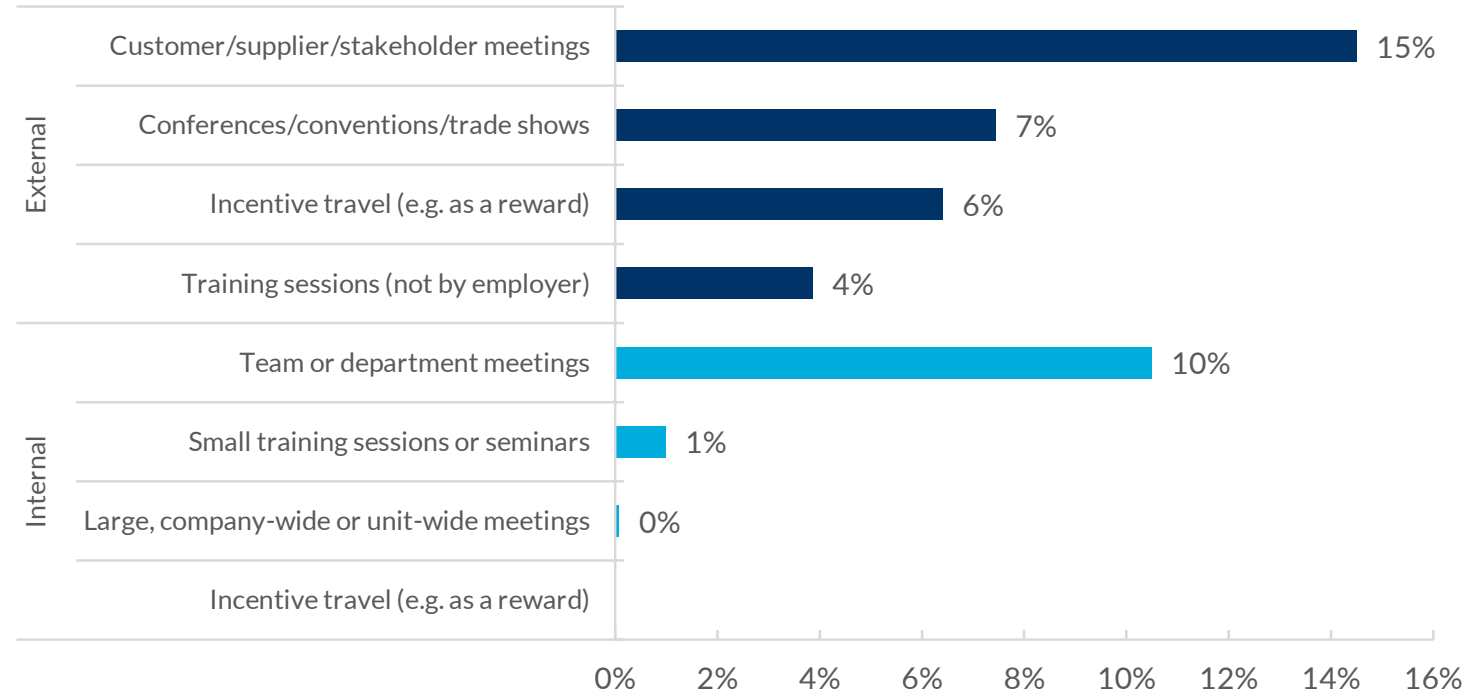
For external trips, many business travelers expect to make more – rather than fewer - trips to meet with customers, suppliers and other external stakeholders than they did pre-pandemic (15% net positive),

For internal trips, many business travelers expect to make more trips for the purpose of internal team or department meetings (10% net positive).

Travelers expect more customer meetings

Net increase in business travel versus pre-pandemic by business purpose

(Net increase calculated as share expecting to travel more than pre-pandemic minus share expecting to travel less)



[q3&q4] For each of the following internal/external business travel purposes, how often do you expect to travel over the next six months, compared to a similar period before the Covid-19 pandemic?

BASE: Internal meetings N = 1220, External meetings N = 1062

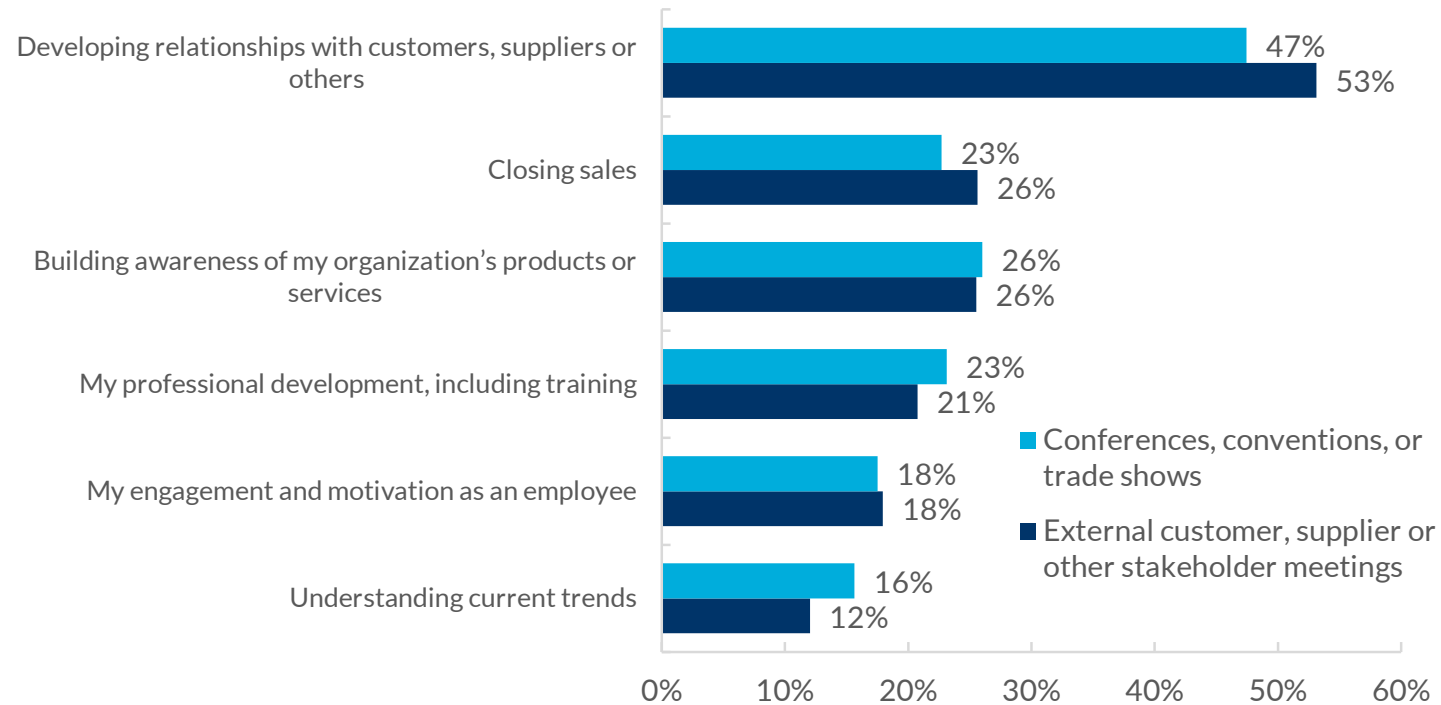
Critical aspects of travel

Business travelers report developing relationships is the most important aspect of their business trips, followed by closing sales and building awareness of their organization's products or services.

Developing relationships are most critical

Aspects of trips considered most critical to job performance

(Share of business travelers surveyed)



[q6&q7] For the business trips you anticipate taking in the next six months which aspects of these trips do you consider critical to your job performance?

BASE: External meetings N = 964

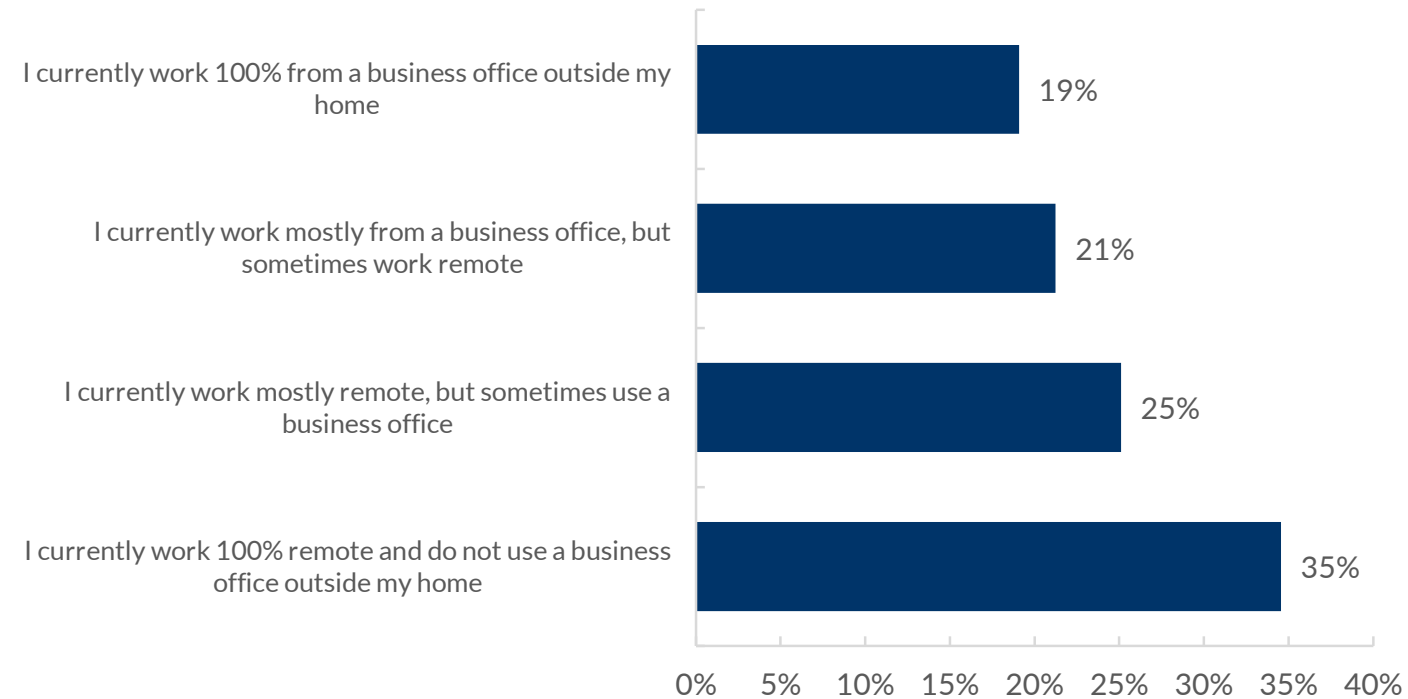
Work arrangements

One-third of business travelers work fully remote and four in five work remotely at least some of the time.

One-third of business travelers work fully remote

Current work arrangements of business travelers

(Share of business travelers surveyed)



[q8] Which of the following best describes your current work arrangement?

BASE: N = 2593

Purpose of travel

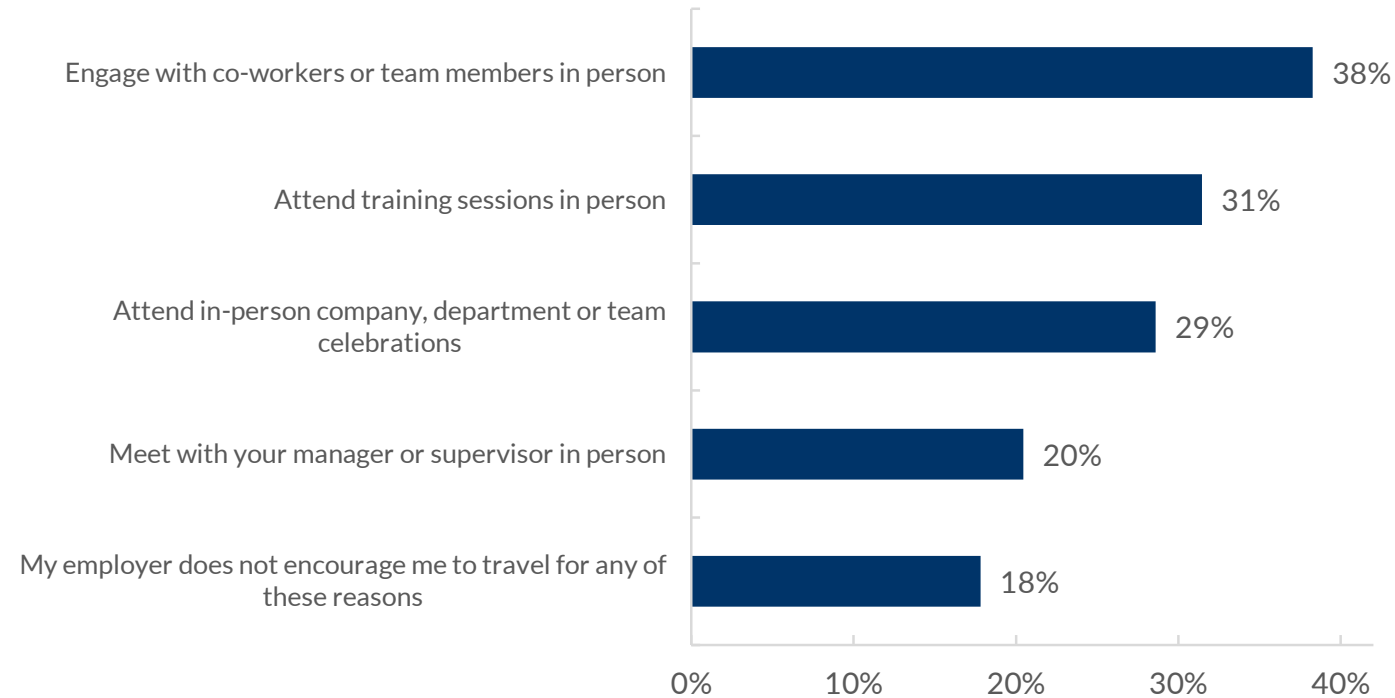
Many business travelers who work partially or fully remote report that their employer encourages them to travel to engage with other team members in person (38%), to attend training sessions in person (32%), or to attend in-person company or team celebrations (29%).

Fewer than one-in-five of partially or fully remote business travelers report they are not encouraged to travel.

Many remote workers are encouraged to travel

Reasons employer encourages travel for partially or fully remote workers

(Share of business travelers surveyed among those that work partially or fully remote)



[q10] Since you work in a partially or fully remote arrangement, does your employer encourage you to travel in order to:

BASE: N = 2098

Reasons for uncertainty

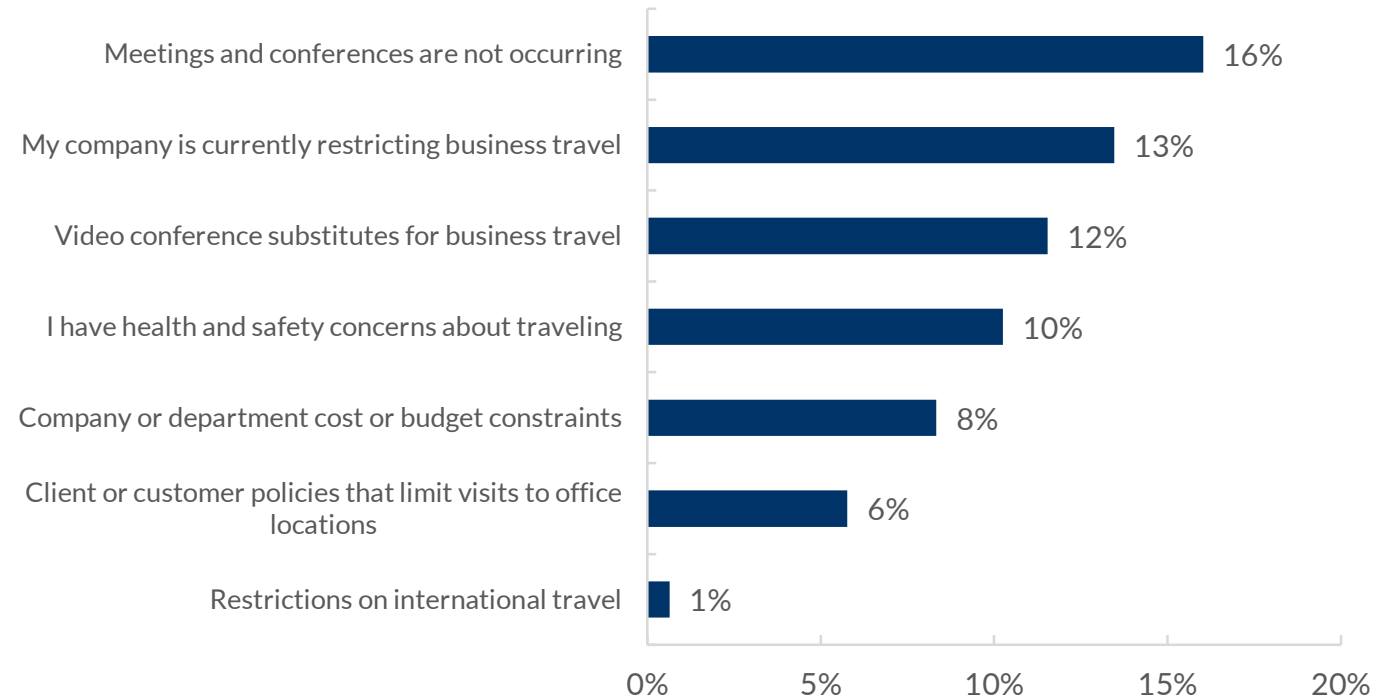
About 6% of business travelers report they are not sure if they will take a business trip over the next six months. The most frequently cited reason was that meetings and conferences are not occurring (16%), or that their company is currently restricting business travel (13%).

Just 12% of respondents who are unsure if they will take a business trip over the next six months referenced video conferencing as a reason.

A range of reasons are cited for travel uncertainty

Reasons for uncertainty about business travel within the next six months

(Share of business travelers surveyed among those that are uncertain about travel in the next six months)



[q11] Please select the reasons why you are not sure if you will travel for business purposes in the next six months.

BASE: N = 156

Note: Respondents who selected "none of the above" were excluded from the chart (49% of total)



BUSINESS TRAVEL INDEX

Quarterly Business Index

Business conditions leading index:

Business conditions, such as GDP and business investment, have surpassed 2019 levels and are anticipated to continue to improve in 2022 Q2, reaching an index level of 105.

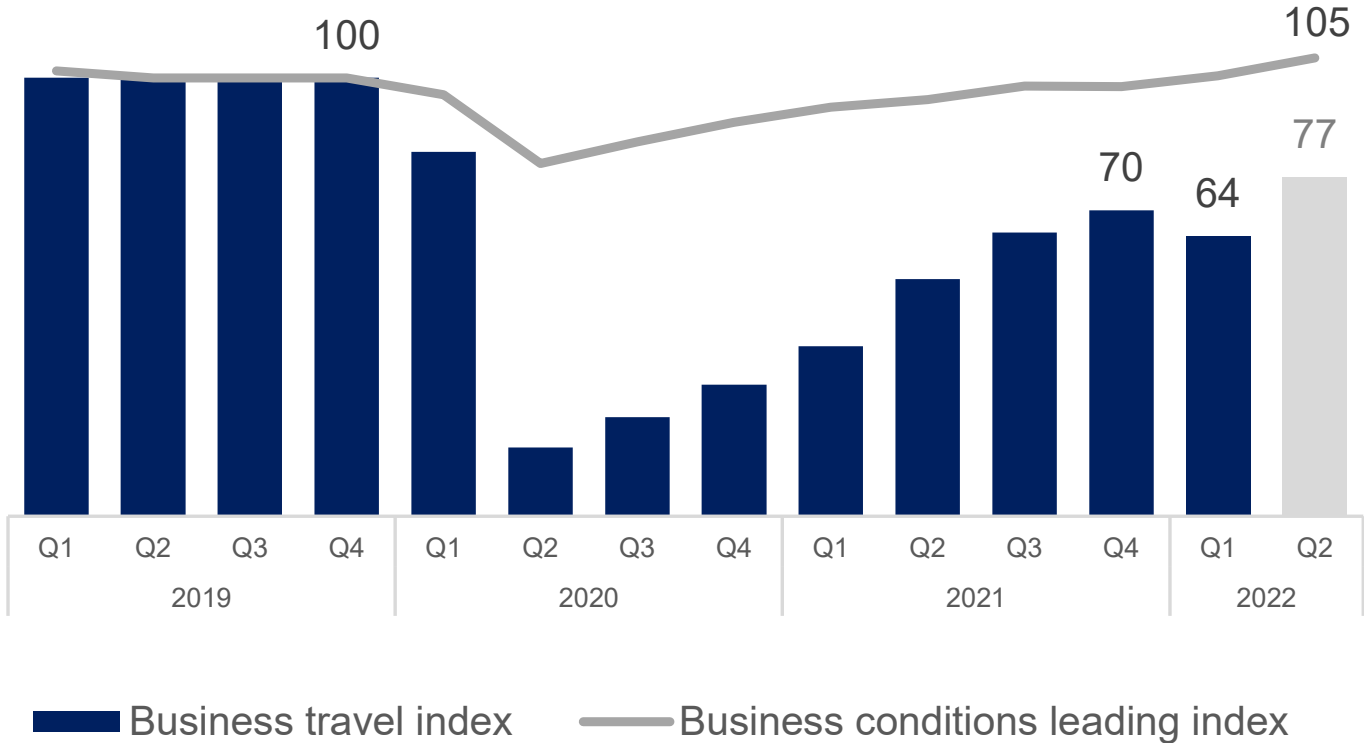
Business Travel Index, forward-looking components:

The BTI forward-looking components currently reflect an index average of 77, and point to a stronger level of business activity during 2022 Q2 relative to 2022 Q1.

Business activity expected to increase in Q2

Quarterly Business Travel Index

2019 = 100





Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner.

U.S. Travel Association is the national, non-profit organization representing all components of the travel industry. U.S. Travel's mission is to increase travel to and within the United States. Visit ustravel.org for information and recovery related data.

J.D. Power is a global leader in consumer insights, advisory services and data and analytics. A pioneer in the use of big data, artificial intelligence (AI) and algorithmic modeling capabilities to understand consumer behavior, J.D. Power has been delivering incisive industry intelligence on consumer interactions with brands and products for more than 50 years.