

BUSINESS TRAVEL SURVEY – 2022 Q2 SUMMARY RESULTS

IN COLLABORATION WITH

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J.D. POWER

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Survey background

Business traveler survey

- **Respondents: 2,545**
- Collection: **May 13-24, 2022**
- Online survey of business travelers at DTW, LAS, MCO, MIA, and PHL
- Must have business travel as an aspect of current job (or will after the pandemic) and are employed.

Corporate executive survey

- **Respondents: 195**
- Collection: **May 20-23, 2022**
- Nationwide survey of corporate executives across multiple industries
- Must have title of C-suite Executive (e.g., CEO, CFO) or President, Senior Vice President/Executive Vice President, Vice President, or Managing Director/Executive Director

Conducted by J.D. Power.

Key findings

- Business travelers expect to resume traveling at a slightly reduced frequency as compared to pre-pandemic, **averaging about 2.1 trips per month (compared to 2.3 pre-pandemic, a decrease of 7.2%)**. The average number of expected trips for each purpose is slightly below pre-pandemic levels.
- **More than two-thirds of corporate executives expect the company they work for will spend less on business travel over the next six months compared to the same period in 2019. This is true across all trip purposes.**
- **Half of executives have policies in place restricting business travel as a result of pandemic.** Most frequently mentioned policy restrictions include fewer business trips overall (71%) and fewer employees sent per business trip (58%). **More than half (52%) anticipate existing pandemic related business travel policies will be reevaluated sometime in 2022.**
- Both business travelers and executives report negative impacts related to reduced business travel. Executives appear particularly focused on the expectation that **reduced business travel may represent short-term savings but bring long-term reductions in sales (46%)**. Many business travelers and executives see **reduced business travel as negatively impacting their company's financial performance**, at 32% and 36%, respectively.
- Approximately one-in-five business travelers report they are unsure they will make a trip for purposes such as a customer meeting or trade show over the next six months. **The most frequently cited reasons were video conference substitutes for business travel, restrictions on international travel, company cost constraints, and companies restricting employee business travel.**
- **Executives consider business travel essential (73%), but report that virtual meetings (75%), cost controls (69%) and remote work by customers (69%) are likely to continue to constrain business travel.** Most executive respondents (58%) agree that having more remote employees in the organization they work for will increase business travel spending for internal meetings over the long-term.
- **Developing customer relationships is critical.** A majority of business travelers report developing relationships through meetings with external customers and at trade shows are a critical aspect of business trips. A quarter of business travelers report building awareness of their organization's offerings through business trips is critical to their job performance.
- **Business travelers at smaller-sized companies are more likely to be 100% remote (34%) than at a larger-sized company (29%). Business travelers working primarily in an office (36%) are more uncertain about the frequency of business travel over the next six months.**



EXECUTIVE SUMMARY

Average monthly trips

Business travelers expect to resume traveling at a slightly reduced frequency as compared to pre-pandemic (2.1 trips per month compared to 2.3 pre-pandemic, a decrease of 7.2%).

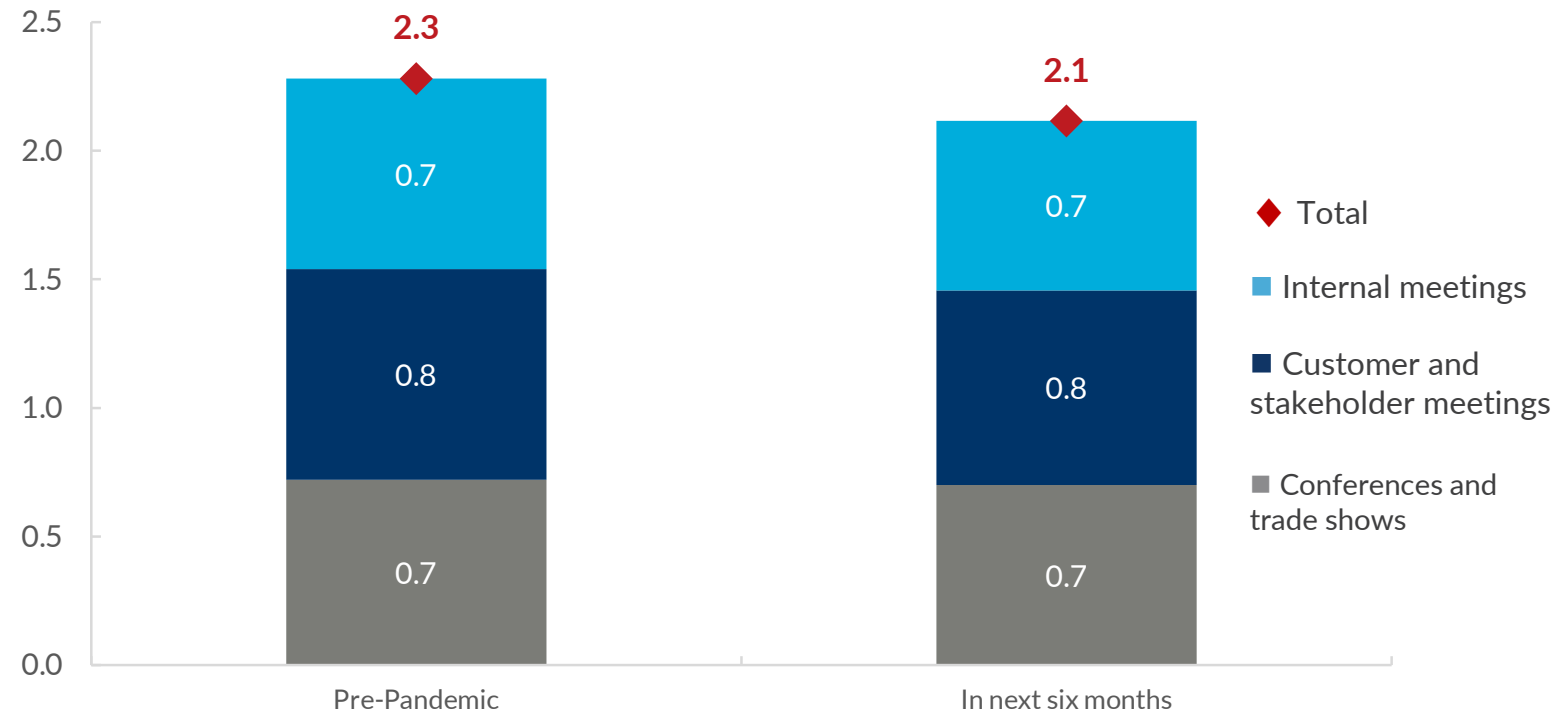
The share of expected business trips accounted for by trips for external purposes, such as meeting primarily with people from outside their organization, and conferences, conventions or trade shows remained approximately stable, with the pre-pandemic share at 69%. The remainder was accounted for by trips for internal purposes.

Approximately one-in-five business travelers report they are unsure they will make a trip for purposes such as a customer meeting or trade show over the next six months.

Business travelers expect 2.1 trips per month

Average trips per month

(Average monthly trips by business travelers)



[q1&q2] How many times do you travel on average for business purposes?

Business Travelers Survey BASE: N=2545

Note: The results for this question are not directly comparable to the 2022 Q1 survey of business travelers, as the question used this quarter includes more categories than were used previously.

Business travel plans

Similar to the Q1 survey, 88% of business travelers in Q2 expect to take at least one trip to attend customer meetings or trade shows (external meetings) in the next six months. In comparison, 92% of Q2 respondents traveled for external meetings at least once every six months pre-pandemic.

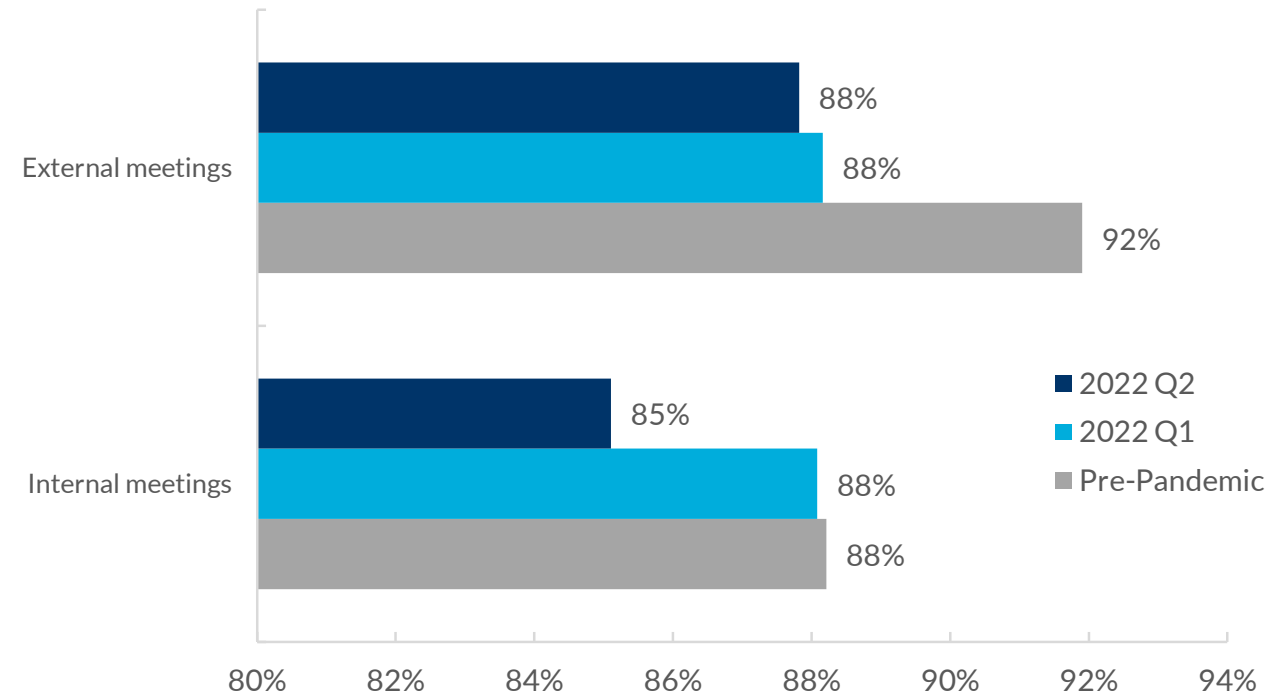
Business travelers employed by larger companies are more uncertain about business travel plans in the next six months than smaller companies.

Among Q2 respondents, 81% expect to take at least one trip for conferences, conventions, or trade shows in the next six months.

Most expect to travel in the next six months

Business travel plans next six months

(Share of respondents expecting to take at least one trip)



How frequently do you expect to travel for each of the following business purposes over the next six months?

Business Travelers Survey BASE: Q2 N = 2545; Q1 N = 2593

Note: External meetings represent respondents answering that they expect at least one trip for either customer meetings or trade shows in the next six months.

Business travel spending

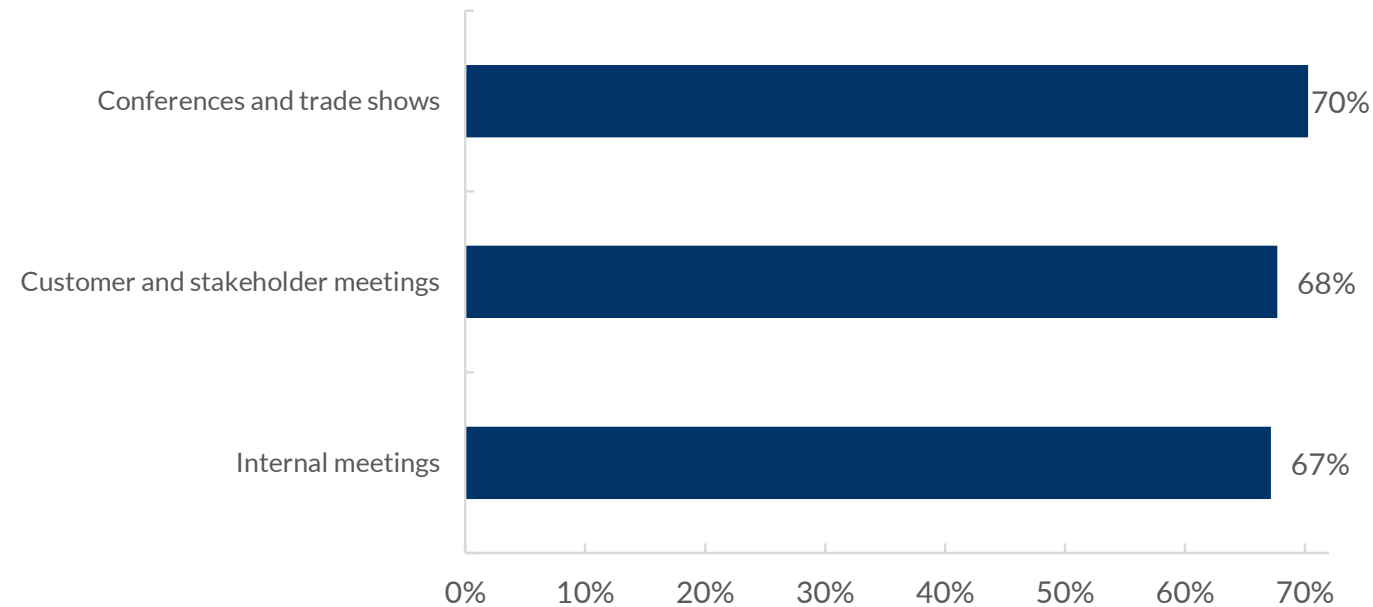
More than two-thirds of corporate executives expect the company they work for will spend less on business travel over the next six months compared to the same period in 2019. This is true across all trip purposes.

Three-quarters of corporate executives employed by smaller companies with less than 1,000 employees expect conferences, conventions and trade shows business travel spend to be less than 2019 levels in the second half of 2022, compared to two-thirds of larger company executives.

Most expect less business travel spend versus 2019

Expecting less business travel spending than in 2019

(Share that expects less travel over next six months, by trip purpose)



[q2] Thinking about the next six months, how will your company's business travel spending compare to 2019 (pre-pandemic) for each of the following purposes?

Corporate Executive Survey BASE: N = 195

Company travel policies

Half of executives have policies in place restricting business travel as a result of pandemic.

For companies restricting business travel as a result of the pandemic, a greater proportion of larger companies have implemented stricter evaluations of who and reasons for business travel (45%) than smaller companies (24%).

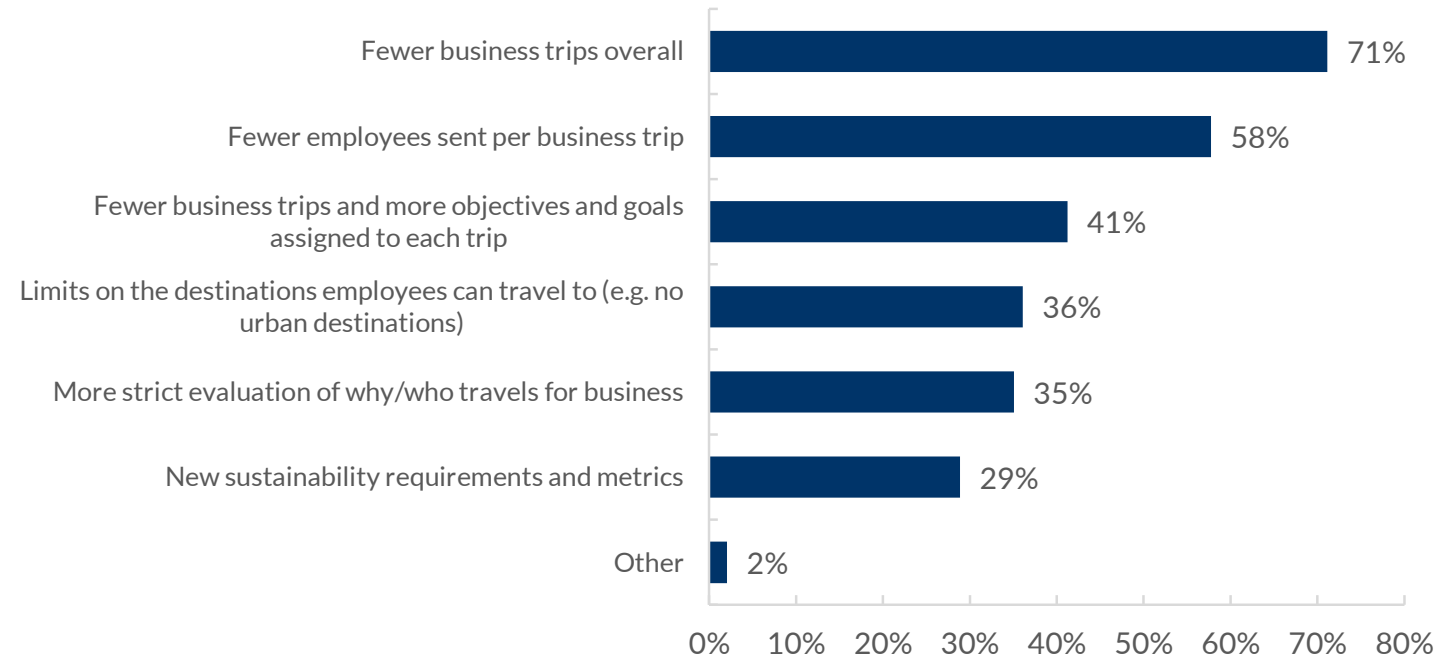
Most frequently mentioned policy restrictions include fewer business trips overall (71%) and fewer employees sent per business trip (58%).

More than half (52%) anticipate existing pandemic related business travel policies will be reevaluated sometime in 2022.

Numerous travel restrictions remain in place

Business travel policies implemented by firms due to the Covid-19 pandemic

(Share of respondents whose company currently has policies in place restricting business travel due to the pandemic)



[q7] Which of the following business travel policies are in place at your company or organization due to the Covid-19 pandemic?

Corporate Executive Survey BASE: N=97

Negative impacts

Both business travelers and executives report negative impacts related to reduced business travel.

Executives appear particularly focused on the expectation that reduced business travel may represent short-term savings but bring long-term reductions in sales (46%). More than half of larger company (55%) executives believe this compared to 37% of smaller company executives.

Many business travelers and executives see reduced business travel as negatively impacting financial performance, at 32% and 36%, respectively. Travelers from smaller companies (38%) feel reduced business travel is having a larger negative impact on financial performance than larger companies (21%).

Negative impacts of reduced business travel

Impact of reduced business travel for customer, supplier, or stakeholder meetings

(Share reporting negative impact)

Business travelers

Negatively impacting the company's financial performance

32%

Negatively impacting the company's ability to acquire or keep customers

16%

May have short-term savings but long-term negative impacts on revenue

16%

Corporate executives

May have short-term savings but long-term negative impacts on revenue

46%

Negatively impacting the company's financial performance

36%

Negatively impacting the company's ability to acquire or keep customers

30%

For customer, supplier, or other stakeholder meetings, is reduced business travel (compared to 2019) having any of the following impacts on the company or organization where you work?

BASE: Business Travelers Survey N = 2545; Corporate Executive Survey N = 132

Reasons for uncertainty

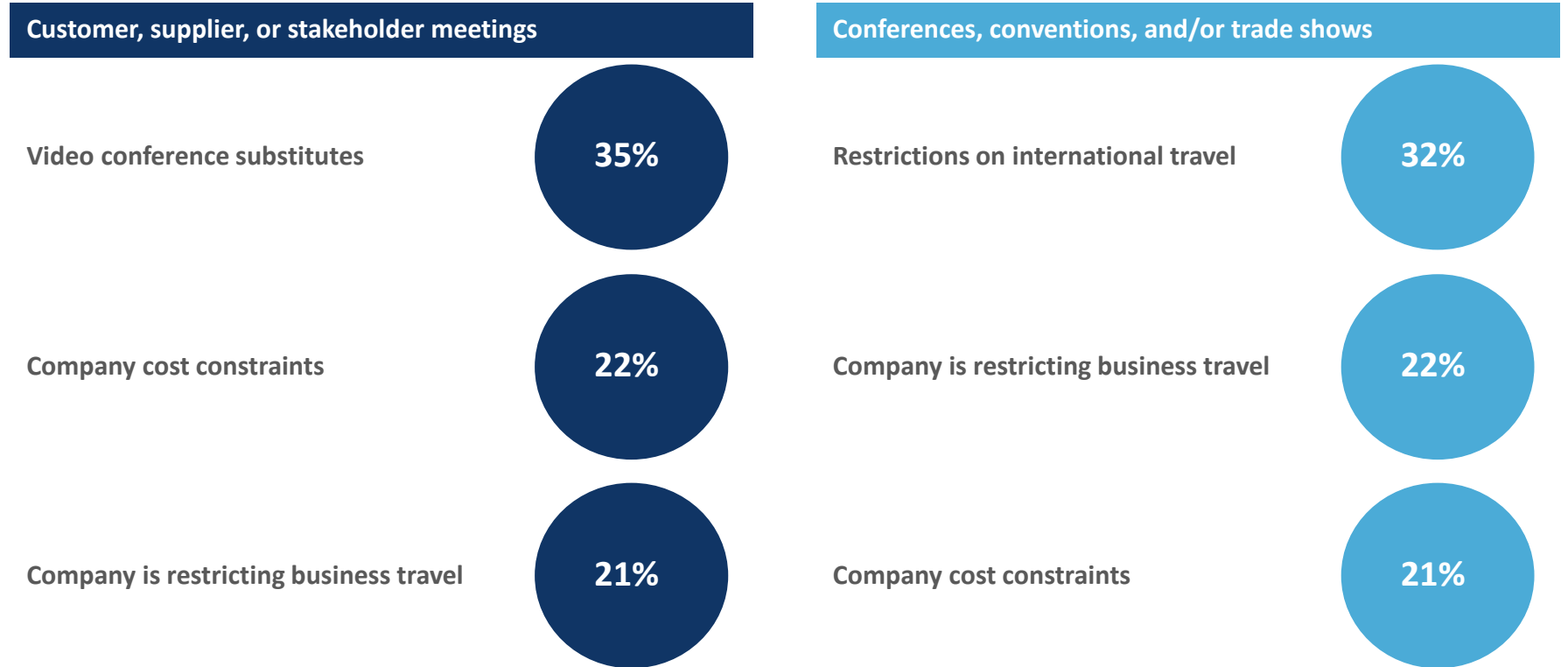
Approximately one-in-five business travelers report they are unsure they will make a trip for purposes such as a customer meeting or trade show over the next six months.

The most frequently cited reasons were video conference substitutes for business travel, restrictions on international travel, company cost constraints, and their companies restricting business travel.

Multiple reasons cited for travel uncertainty

Reasons for uncertainty about business travel within the next six months

(Share of business travelers surveyed)



[q11A&q11B] Please select the reasons why you are not sure if you will travel in the next six months. (Among travelers that indicated they are uncertain they will travel for certain trip purposes in the next six months)

Business Travelers Survey BASE: Q2 N = 410; Q1 N = 156

Uncertainty by firm size

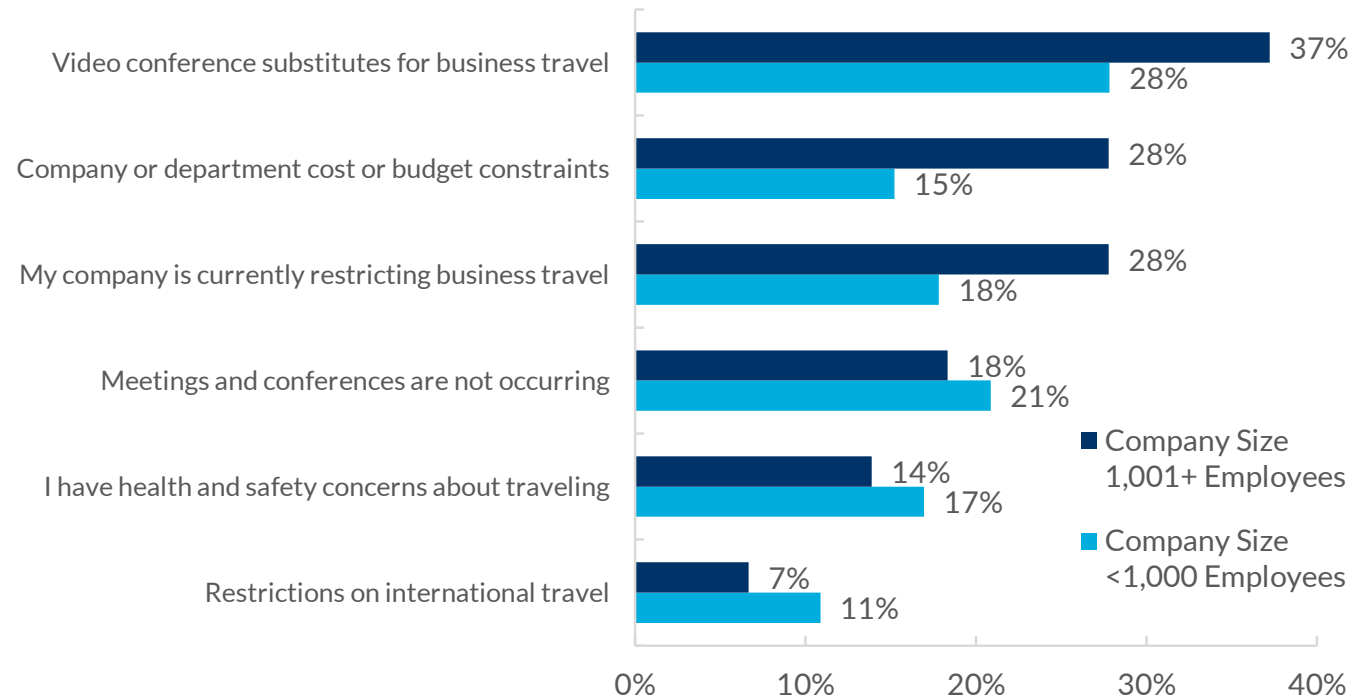
Among business travelers who expressed they are uncertain whether they will travel soon for conferences, conventions or trade shows, nearly three in 10 business travelers at larger companies have restrictions on business travel or budget constraints to attend conferences, conventions, or trade shows. Alternatively, just 18% of smaller company business travelers have company restrictions and 15% have budget constraints.

Video conference substitutes are the major reasons for travel uncertainty amongst both firm sizes.

Larger companies display greater uncertainty

Reasons for business travel uncertainty for conferences and trade shows

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



[q11B] Please select the reasons why you are not sure if you will travel for conferences, conventions, and/or trade shows in the next 6 months.

Business Travelers Survey BASE: N = 410

Note: Respondents who selected "none of the above" were excluded from the chart (9% of total)

Business travel sentiment

Executives consider business travel essential (73%), but report that virtual meetings (75%), cost controls (69%) and remote work by customers (69%) are likely to continue to constrain business travel.

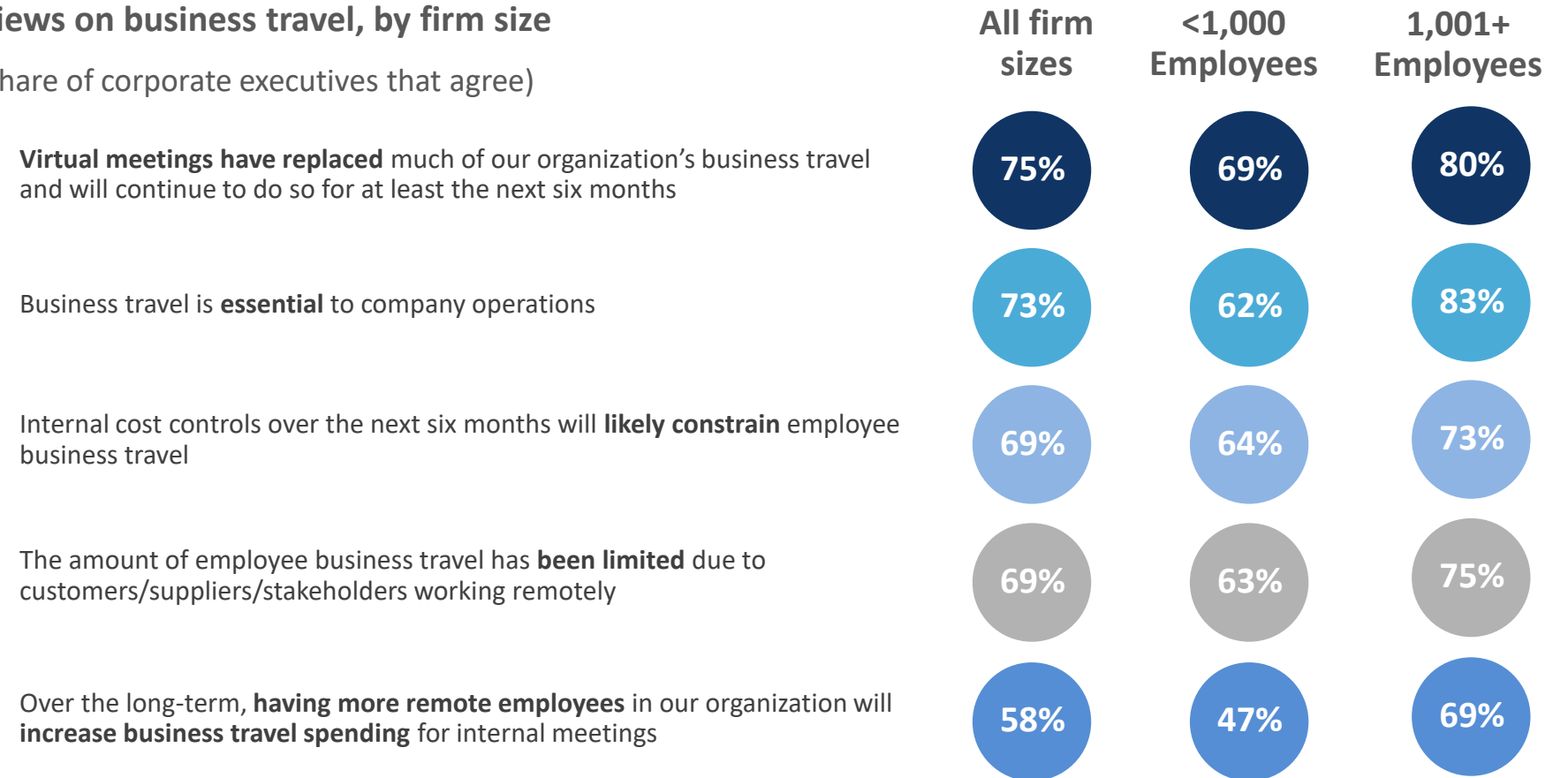
Most executive respondents (58%) agree that having more remote employees in their organization will increase business travel spending for internal meetings over the long-term.

More larger company executives (83%) believe business travel is essential to company operations than smaller company executives (62%). A greater proportion of larger company executives (69%) agree that more remote employees will increase spending than small company executives (47%).

Business travel is essential but still constrained

Views on business travel, by firm size

(Share of corporate executives that agree)



[q9] Thinking about your company's or department's overall business travel spending, please indicate your level of agreement with the following statements. (Strongly agree and somewhat agree)

Corporate Executive Survey BASE: N = 195

Critical aspects of trips

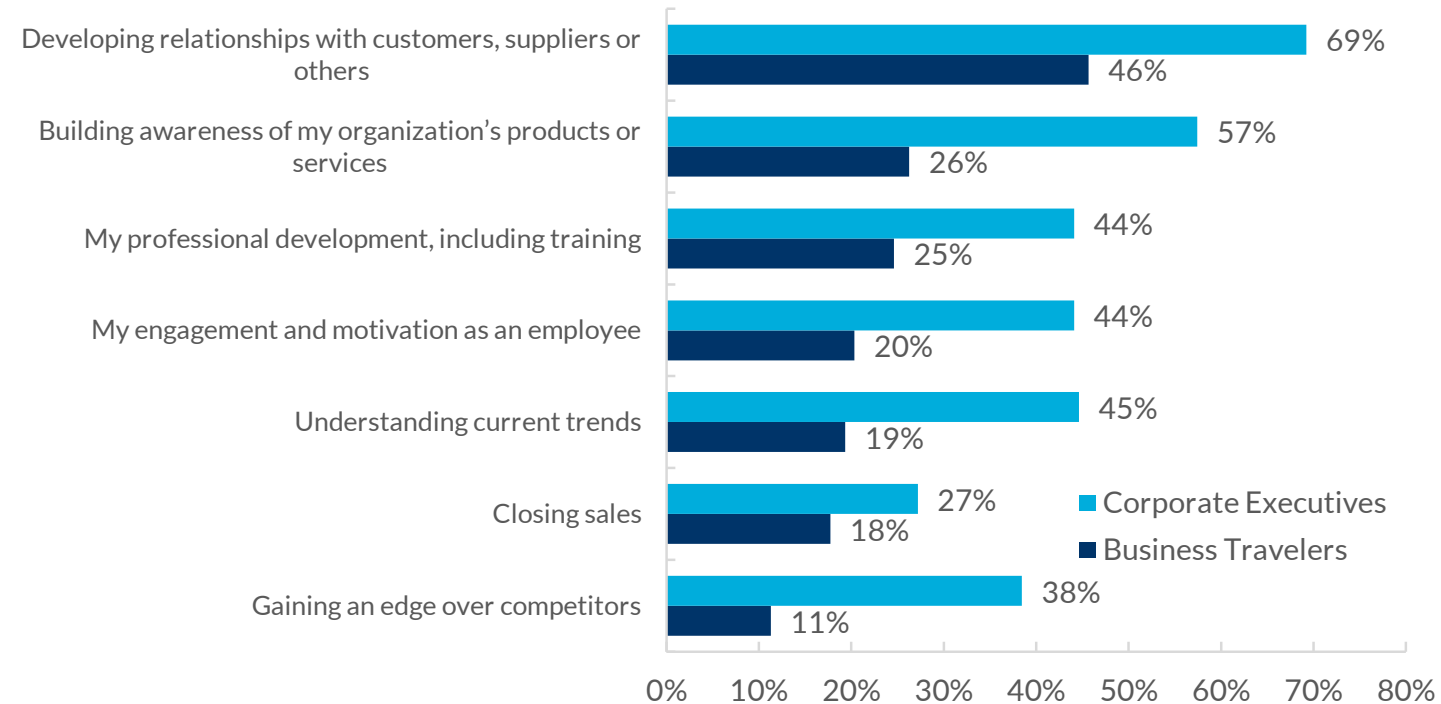
Corporate executives consider business travel for attending conferences, conventions or trade shows even more critical to job performance than business travelers.

Respondents reported that the most critical aspect of business trips is developing relationships. Of corporate executives, 69% consider developing relationships critical to job performance, compared to 46% of business travelers.

Executives consider business travel more critical

Critical aspects of attending conferences, conventions, or trade shows

(Share of respondents)



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: Corporate Executive Survey N = 195; Business Travelers Survey N = 2545

Work arrangements

Four in five business travelers work remotely at least some of the time, including one-third who work fully remote.

Larger firms are more likely to be in the office - close to half (47%) of executives at larger firms' employees are working in an office versus 32% of smaller companies.

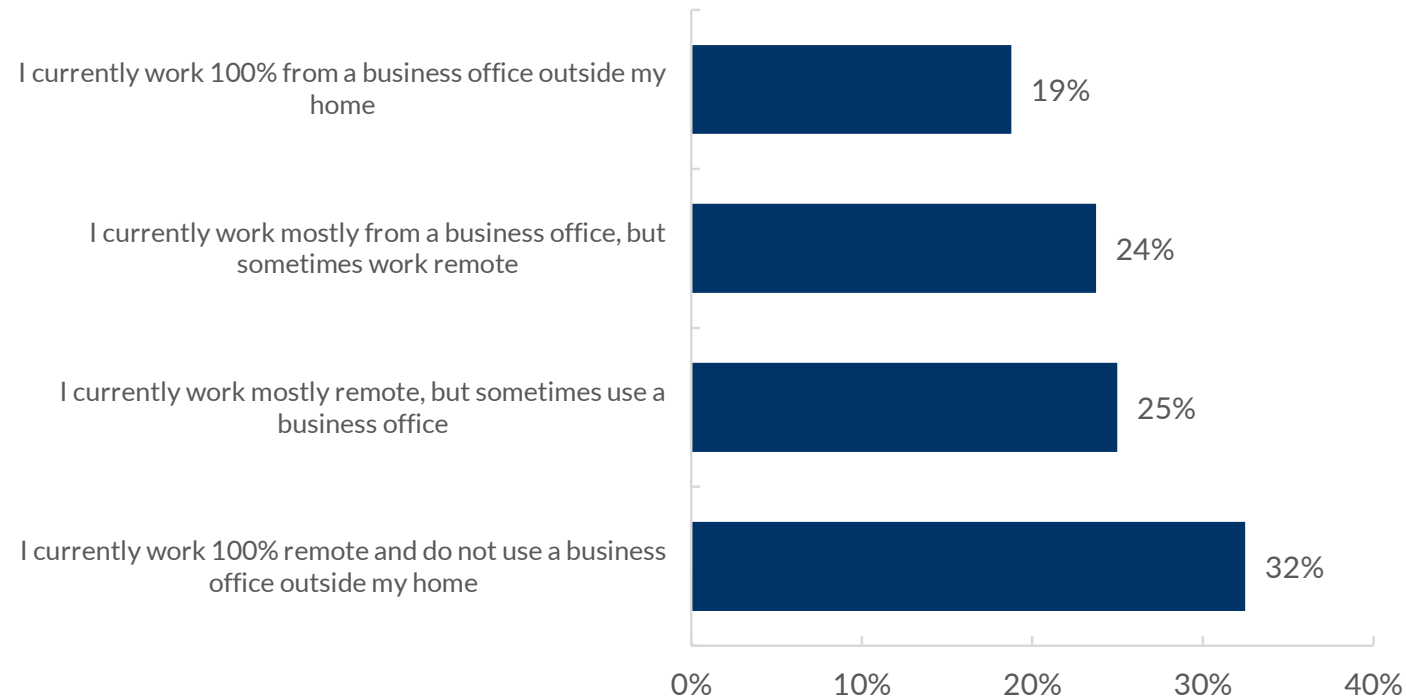
Business travelers at smaller-sized companies are more likely to be 100% remote (34%) than at a larger-sized company (29%).

Business travelers working primarily in an office (36%) are more uncertain about the frequency of business travel over the next six months.

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?

Business Travelers Survey BASE: N = 2545

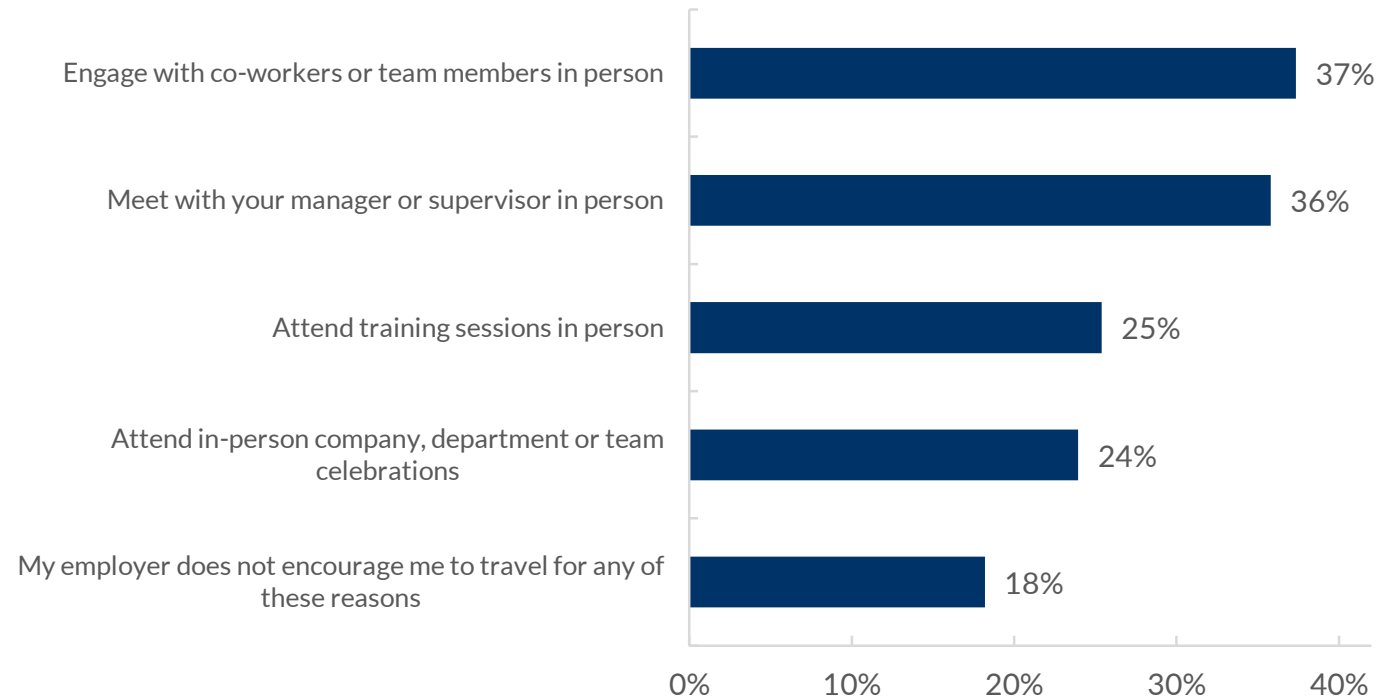
Purpose of travel

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 (37%), to meet with management in person (36%), or to attend training sessions in person (25%).

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:

Business Travelers Survey BASE: N = 2067

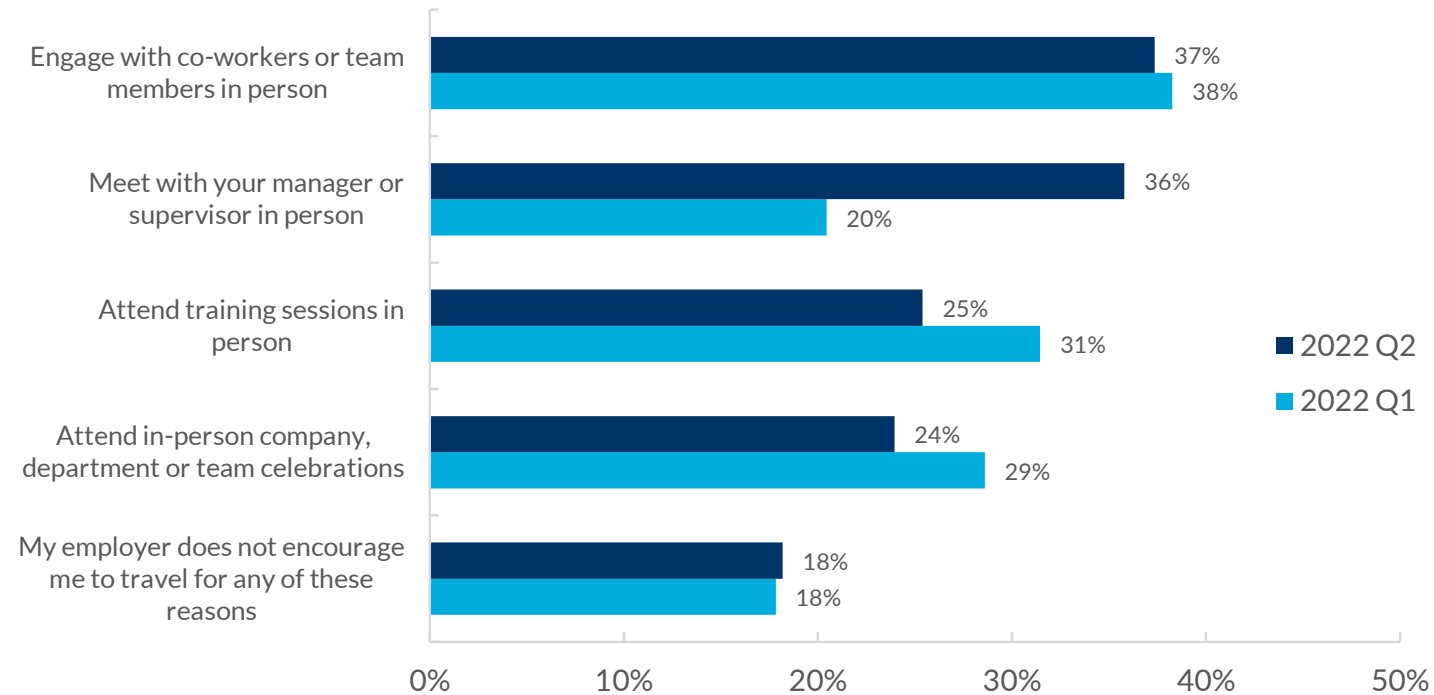
2022 Q2 vs 2022 Q1

Compared to Q1, the share of respondents encouraged to travel in order to meet with managers or supervisors increased by 16% to 36%. Engaging with co-workers in person (37% of respondents) remained the primary reason travel was encouraged in Q2.

Meeting management is more important

Reasons remote workers are encouraged to travel

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



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

Business Travelers Survey BASE: Q2 N = 2067; Q1 N = 2098

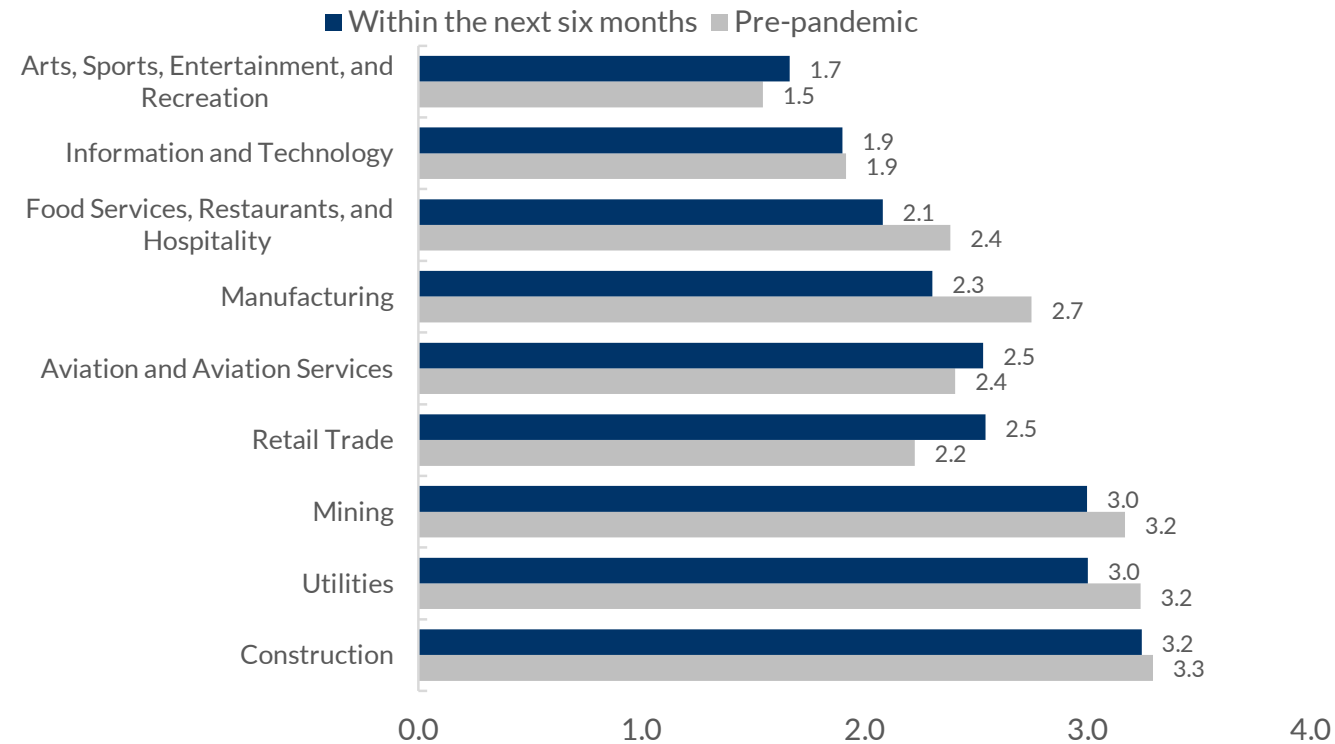
Trips by industry

Business travelers from the construction industry expect more trips than travelers in other industries.

Aviation, retail, and arts industries are ahead of pre-pandemic levels.

Construction employees expect to travel most often

Number of monthly trips by industry, most respondents and those in L&H
(Average monthly trips by business travelers)



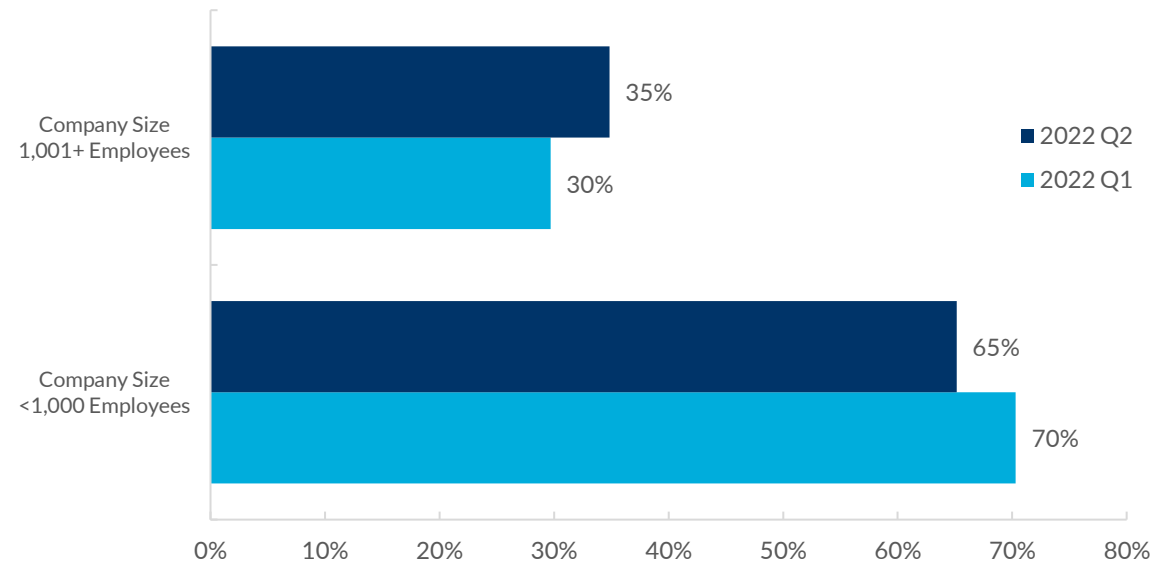
[[D2] In what industry is your firm primarily engaged in?
Business Travelers Survey BASE: N = 2545

2022 Q2 vs Q1 survey

- The corporate executive survey was added to the 2022 Q2 analysis to provide business travel insights from senior management and complement the business traveler survey.
- Three additional airports participated in the Q2 survey. The airports were: DTW, LAS, MCO, MIA, and PHL.
- The external business travel category from the 2022 Q1 survey was split into two segments:
 - Customer, supplier, or stakeholder meetings
 - Conferences, conventions, or trade shows
- More respondents in Q2 were from larger companies.
- The industries represented by respondents varied versus Q1.

Updates to business traveler survey

Please indicate the size of your company based on total number of employees



Please indicate the size of your company based on total number of employees.

Business Travelers Survey BASE: Q2 N = 2545; Q1 N = 2593

In what industry is your firm primarily engaged in? (% of respondents)

Industry	2022 Q2	2022 Q1
Manufacturing	10.3%	7.6%
Construction	7.5%	6.4%
Health Care and Social Services	7.3%	8.5%
Information and Technology	6.9%	6.7%
Other	6.6%	8.9%
Utilities	5.9%	5.4%
Mining	5.5%	5.4%
Banking, Finance and Insurance	5.5%	4.0%
Retail Trade	5.5%	6.2%
Professional, Scientific and Technical Services	5.2%	4.8%
Agriculture, Forestry, Fishing and Hunting	4.9%	5.9%
Aviation and Aviation Services	4.6%	6.3%
Educational Services	4.0%	4.0%
Arts, Sports, Entertainment, and Recreation	3.4%	3.4%
Wholesale Trade	3.3%	3.9%
Food Services, Restaurants, and Hospitality	3.3%	2.5%
Transportation and Warehousing	3.1%	3.3%
Management of Companies and Enterprises	2.6%	1.8%
Real Estate and Rental and Leasing	1.8%	2.4%
Public Administration/Government	1.7%	1.0%
Administrative and Support	0.9%	1.3%
Waste Management and Remediation Services	0.1%	0.1%

In what industry is your firm primarily engaged in?

Business Travelers Survey BASE: Q2 N = 2545; Q1 N = 2593



**ANNEX:
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 slightly improve in 2022 Q3, reaching an index level of 103. Oxford Economics' current forecast anticipates slowing economic growth in 2023, with a slight increase in the unemployment rate.

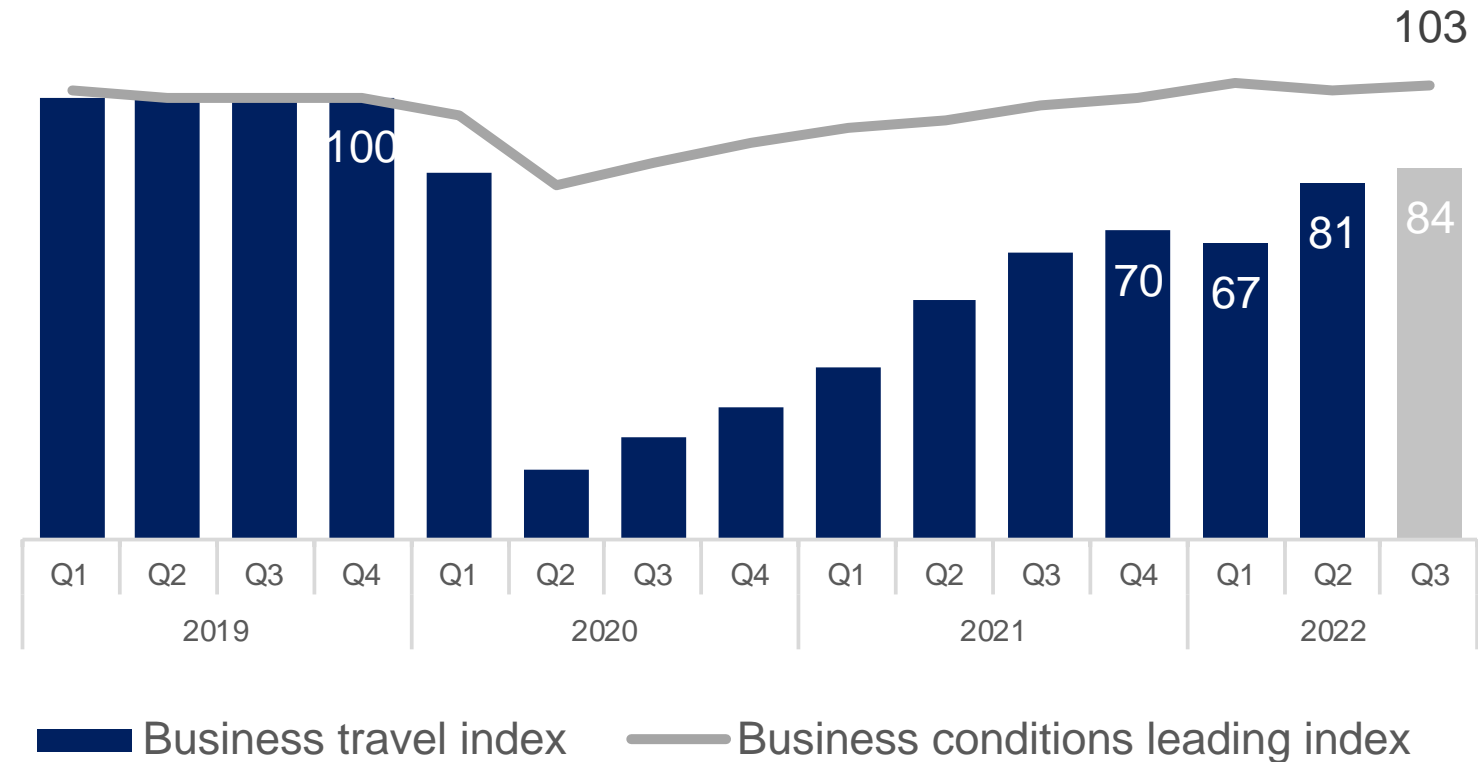
Business Travel Index, forward-looking components:

The BTI forward-looking components currently reflect an index average of 84, and point to a continued improvement of business activity during 2022 Q3 relative to 2022 Q2.

Business activity expected to increase in Q2

Quarterly Business Travel Index

2019 = 100





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