Key findings

- Business travel demand has remained relatively consistent over the last four quarters, however, **the average business traveler in 2023 Q1 expects to travel more often.** Business travelers **anticipate taking 2.6 trips per month over the coming six months** – compared to 2.0 in the prior survey.

- **The top mentioned reason why business travel may be limited in the next six months is company or department cost or budget constraints.**
  - Among executives, more than seven-in-ten agree that 'internal cost controls over the next six months will likely constrain business travel'.
  - The share of executives that agree internal cost controls will constrain travel has risen from 59% in the prior survey to 71% in 2023 Q1.

- **Besides cost, executives are focused on the effectiveness of each business trip when authorizing travel.** Among important factors considered when authorizing travel for client visits, critical relationships (46%) is cited most, while growing company sales (56%) is most common when approving travel for conferences or trade shows. The ability to meet with multiple customers and showcasing products is also important when authorizing travel.

- Close to three in 10 business travelers avoided or cancelled a business trip by air in the past year for a reason other than cost.
  - Air travel hassles and the inefficiency of air travel are curtailing business travel demand. For customer visits, the **overall time required to fly to a business meeting (40%)** followed by the **possibility of flight delay/cancellation (26%)** are the top reasons why business travelers have avoided or cancelled an air business trip.

- **Despite a reduction in the share of companies with policies that limit travel to 43%, among those that impose restrictions, more are carefully scrutinizing certain aspects of travel.**
  - The most cited policy is stricter evaluation of who/why travels (53%). More companies than the prior quarter report additional spending limits (47%), more objectives per trip (47%), and fewer employees sent per trip (45%).
  - At the same time, the share that report fewer trips overall has declined significantly to 37% in 2023 Q1.

- **Most companies are likely to encourage flexible work arrangements and trip extensions for leisure** – particularly larger firms.
  - In the past six months, 45% of business travelers extended a business trip for at least one night for leisure. More business travelers who work partially (hybrid) or fully remote extended a trip for leisure purposes (50%) than those working fully on-site (34%).
  - When considering extending a business trip for leisure purposes, the opportunity to explore a destination (36%) is the most cited motivating factor, followed by the fact that transport costs are already covered (31%).
  - When extending business trips for leisure, more fully onsite workers (36%) tend to take longer trips than remote workers (22%) who are more inclined to travel solo (35%).

EXECUTIVE SUMMARY

Business travel demand has remained relatively consistent

Most business travelers surveyed in 2023 Q1 expect to take at least one trip in the next six months. For each travel purpose, business travel demand has remained relatively consistent over the last four quarters.

Nearly eight-in-ten business travelers (79%) expect to take at least one trip to attend conferences, conventions or trade shows in the next six months.

Business travel plans in next six months
(Share of business travelers expecting to take at least one trip)
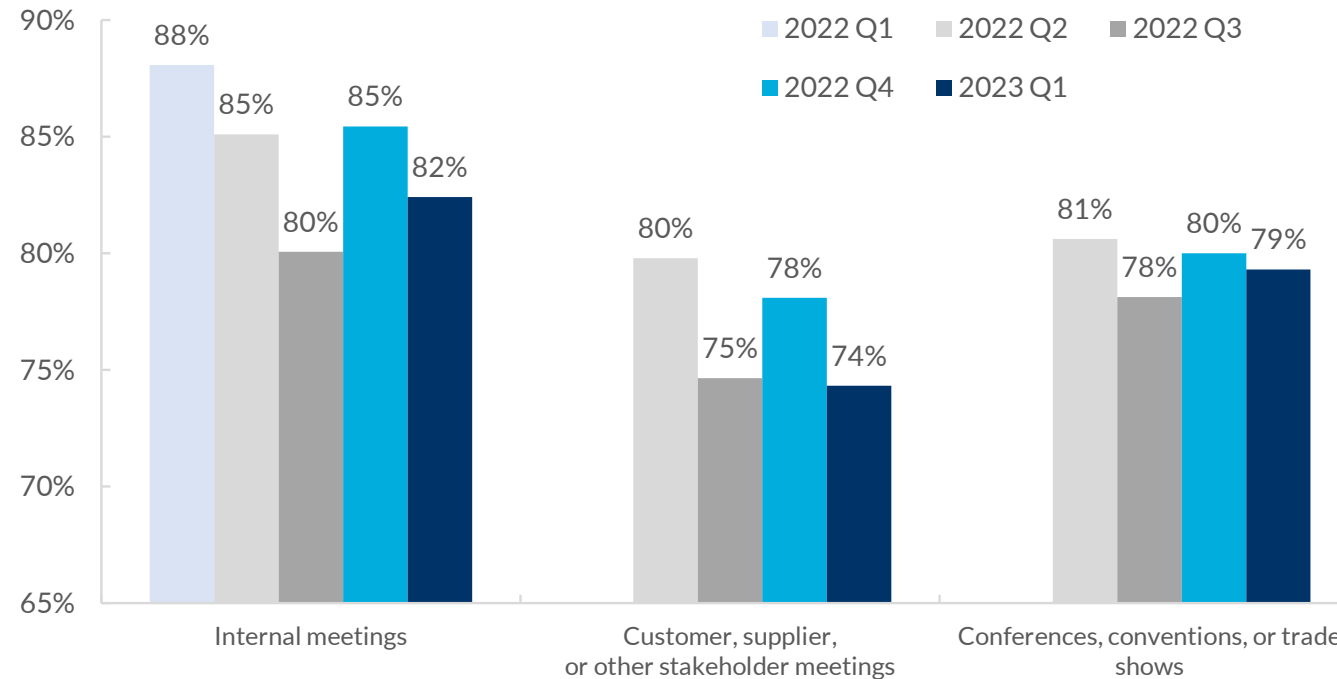
How frequently do you expect to travel for each of the following business purposes over the next six months?

Business Travelers Survey BASE: 23Q1 N = 2293; 22Q4 N = 790; 22Q3 N =1641; 22Q2 N = 2545

4

Despite less expected travel spending than in 2022 executives say budgets will be updated frequently

For all trip purposes, most executives anticipate their company will spend less on business travel over the next six months compared to the same period in 2022.

However, company executives intend to update travel budgets frequently – approximately 32% will do so each quarter, while 31% said twice per year.

Spending expectations are highest for group business travel to attend customer and stakeholder meetings – in the next six months, 32% expect to spend the same or greater than in 2022.

Expecting less business travel spending than in 2022
(Share of corporate executives that expect less travel spending over next six months)

Internal meetings	71%
Conferences and trade shows	70%
Customer and stakeholder meetings	68%
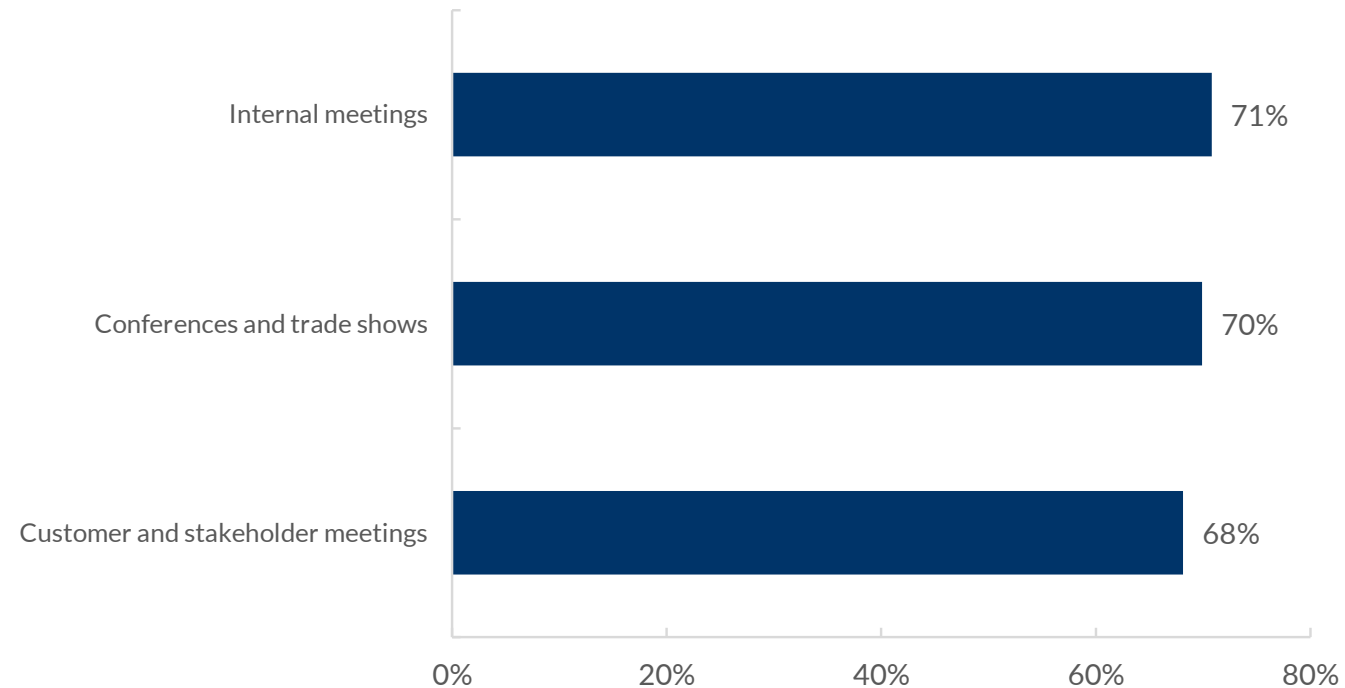
Thinking about the next 6 months, how does your company's business travel spending compare to last year for each of the following purposes? Please use your best estimate.
Corporate Executive Survey BASE: N = 113

Average monthly trips

Despite less expected business spending, the average business traveler in 2023 Q1 anticipates more travel than in prior quarters.

Business travelers expect to make 2.6 trips per month over the coming six months – compared to 2.0 expected trips in the prior survey.

Trips for external purposes – such as meeting primarily with people from outside the organization and conferences, conventions or trade shows – account for 65% of expected business trips. The remainder is accounted for by trips for internal purposes.

Business travelers expect to take more trips in the next 6 months compared to Q4 2022

Trips per month over the coming six months
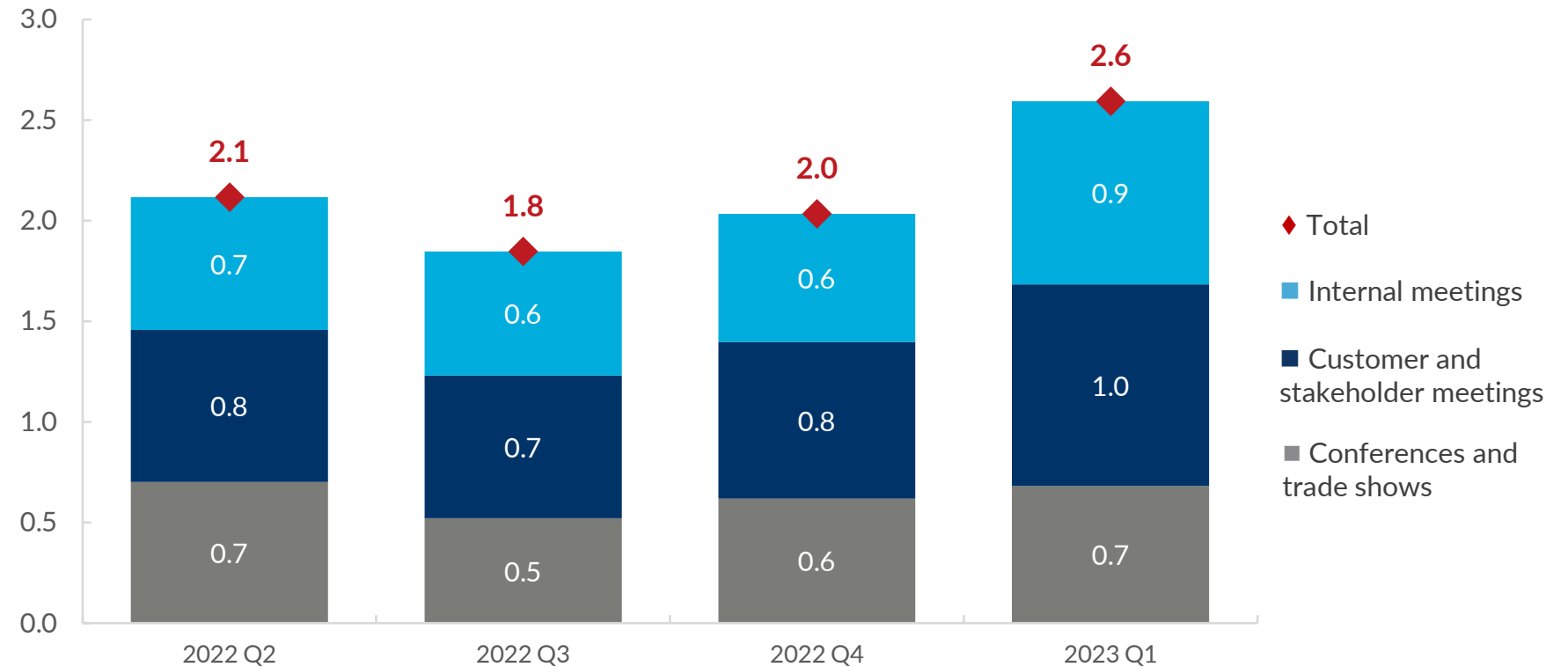
	2022 Q2	2022 Q3	2022 Q4	2023 Q1
Total	2.1	1.8	2.0	2.6
Internal meetings	0.7	0.6	0.6	0.9
Customer and stakeholder meetings	0.8	0.7	0.8	1.0
Conferences and trade shows	0.7	0.5	0.6	0.7

- ◆ Total
- ■ Internal meetings
- ■ Customer and stakeholder meetings
- ■ Conferences and trade shows

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

Business Travelers Survey BASE: N = 2293

6

The top mentioned reason why business travel may be limited is company or department cost or budget constraints (approximately one-in-three respondents).

Close to seven-in-ten business travelers have already avoided or canceled a business trip by air for cost reasons in the past year.

Among executives, more than seven-in-ten agree that 'internal cost controls over the next six months will likely constrain business travel'.

One-in-five business travelers also cited travel hassles as a reason they may limit their business travel in the next six months.

Cost constraints is top mentioned limitation to business travel

Limitations to business travel
(Share of business travelers)

- ■ Conferences, conventions or trade shows
- ■ Customers, suppliers or other stakeholders

Company or department cost or budget constraints: 36%, 37%

I have health and safety concerns about traveling: 22%, 23%

I prefer to avoid frustrating and unpredictable travel hassles (such as cancelled flights, flight delays, etc.): 21%, 19%
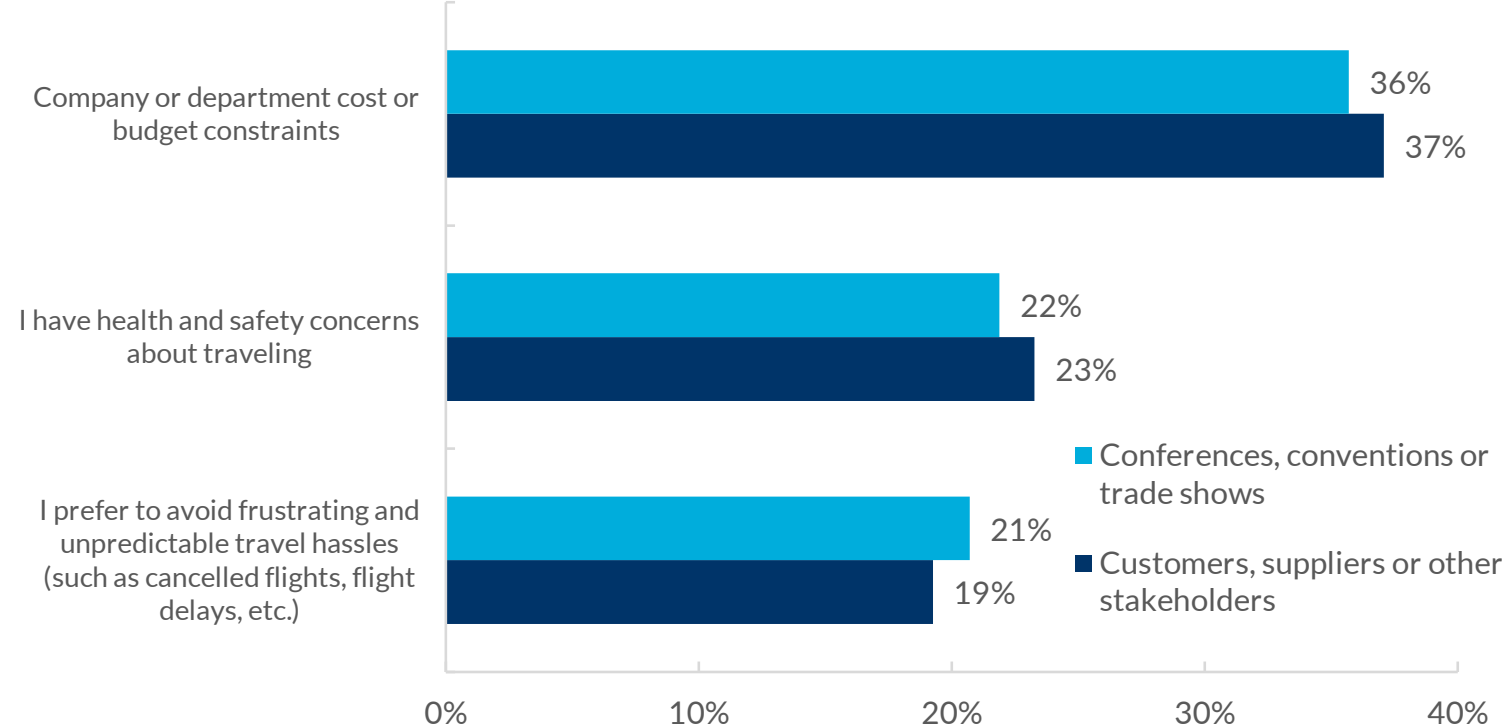
Do you expect any of the following reasons may limit your business travel? [Excluding 'none of the above']

Business Travelers Survey BASE: N = 1246

Business travel sentiment

More executives in 2023 Q1 consider business travel essential (83%) compared to prior quarters. However, constraints to business travel are building.

The biggest increase versus the prior survey was reflected by a 12-percentage point increase in the share of executives that agree internal cost controls will constrain business travel (71%).

More corporate executives also report that virtual meetings (72%) and risk mitigation (49%) are likely to continue to constrain business travel.

Fewer (57%) corporate executives than before agree that the amount of employee business travel has been limited due to customers, suppliers and other stakeholders working remotely than prior surveys. However, a greater share (66%) believe that more remote employees will increase business travel spending.

More corporate executives say cost controls will constrain business travel

Views on business travel, by firm size

(Share of corporate executives that agree)

	2022 Q2	2022 Q3	2022 Q4	2023 Q1
Business travel is **essential** to company operations	73%	77%	81%	83%
Virtual meetings have replaced much of our organization's business travel and will continue to do so for at least the next six	75%	71%	67%	72%
Internal cost controls over the next six months will likely constrain employee business travel	69%	63%	59%	71%
Over the long-term, **having more remote employees** in our organization will **increase business travel spending** for internal meetings	58%	66%	64%	66%
The amount of employee business travel has **been limited** due to customers/suppliers/stakeholders working remotely	69%	64%	69%	57%
Risk mitigation efforts are currently restricting employee business travel		59%	46%	49%

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: 23Q1 N = 113; 22Q4 N = 109; 22Q3 N = 115; 22Q2 N = 195

8

Executives are focused on the effectiveness of each business trip to visit customers

Aside from cost, business executives consider numerous factors when deciding to authorize employee business travel to visit customers, suppliers, or other stakeholders.

Critical relationships is cited the most as an important factor (46%) when authorizing business travel, followed by whether the trip presents the ability to meet with multiple customers (44%). More than one-third report introducing a new product (35%) as an important factor when authorizing client visits.

Closing sales is a greater priority to small-sized firms (37%) versus large companies (10%). Large companies are much more focused on direct flight options (52%) than small companies (25%).

Most important non-cost factors when authorizing travel to visit customers
(Share of corporate executives)

Factor	Percentage
Critical customer, supplier, or other stakeholder relationship(s)	46%
Ability to meet with multiple customers or suppliers at once	44%
Customer, supplier, or other stakeholder is located within driving distance for the employee	41%
Customer, supplier, or other stakeholder is located where there are many direct flight options	36%
Introducing a new product or service	35%
Length of time since prior in-person meeting	27%
Closing sales	26%
Adequate seat availability on flights to the customer, supplier, or other stakeholder location	25%
Other	3%

Aside from cost, which factors are most important when deciding to authorize employee business travel to visit customers, suppliers or other stakeholders?
Corporate Executive Survey BASE: N= 113

9

Many factors are also carefully considered when authorizing travel for conferences and trade shows

Many factors are also considered when authorizing employee business travel for conferences, conventions, and/or trade shows.

Growing company sales/revenues is cited most (56%) among important factors considered when authorizing travel for conferences. Similar to customer visits, the ability to meet with multiple customers (50%) and showcasing products (35%) are prominent factors.

Educational value from a convention is more important to large firms (40%) than small companies (26%).

Most important non-cost factors when authorizing travel to conferences
(Share of corporate executives)

Factor	%
Event is important to growing company sales/revenues	56%
Ability to meet with multiple new vendors or customers at the same time	50%
Employee has a speaking/presenter/moderator role at the event	37%
Showcasing organization's products or services	35%
Event has educational content of value to our organization	32%
Event is located within driving distance for the employee	27%
Event is located where there are many direct flight options	27%
Adequate seat availability on flights to the event location	23%
Other	1%

Aside from cost, which factors are most important when deciding to authorize employee business travel for conferences, conventions, and/or trade shows?
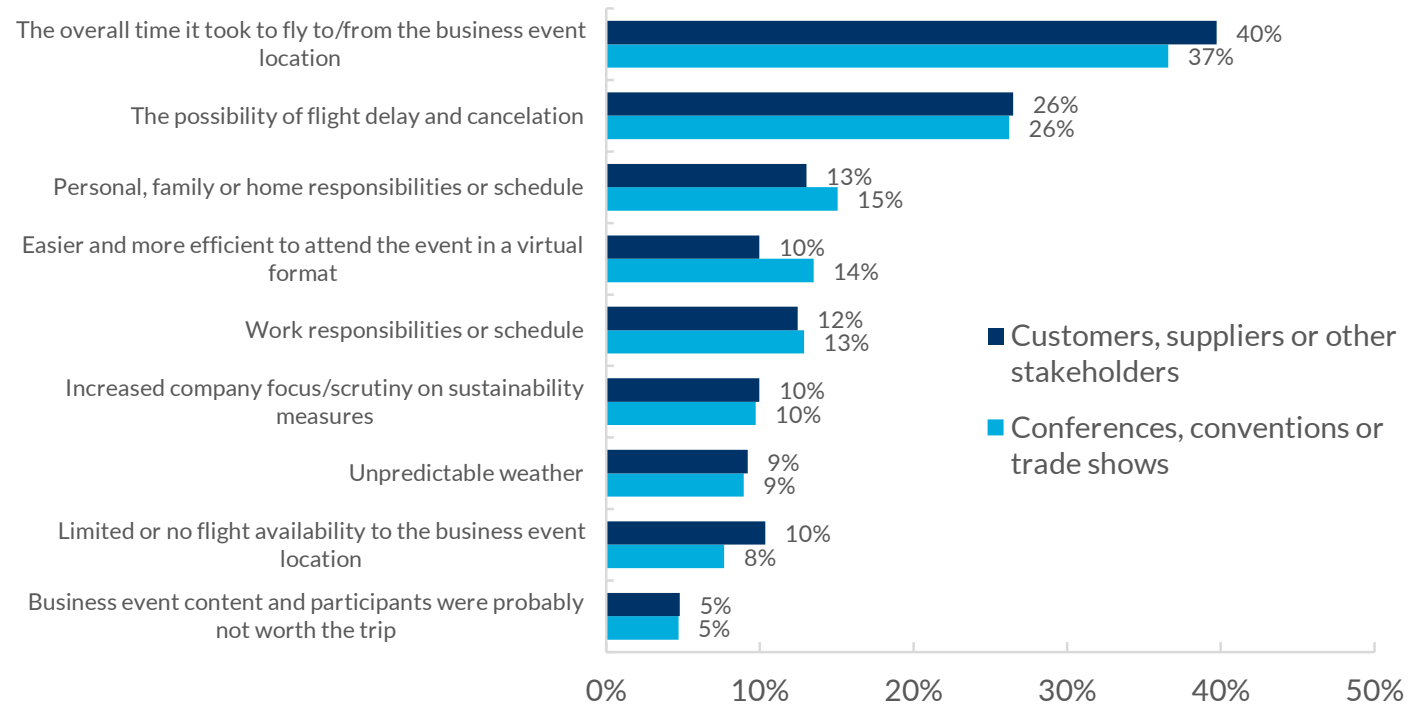Corporate Executive Survey BASE: N= 113

10

Reasons for avoiding business travel by air

Close to three-in-ten report reasons other than cost for avoiding or cancelling business trips in the past year.

The overall time it took to fly to/from business meetings is the most cited reason other than cost for avoiding business trips by air in the past year, followed by the possibility of flight delay and cancelation.

Business travel rebound hampered by air travel inefficiencies

Non-cost reasons for avoiding or canceling a business trip by air
(Share of business travelers)

Reason	Customers, suppliers or other stakeholders	Conferences, conventions or trade shows
The overall time it took to fly to/from the business event location	40%	37%
The possibility of flight delay and cancelation	26%	26%
Personal, family or home responsibilities or schedule	13%	15%
Easier and more efficient to attend the event in a virtual format	10%	14%
Work responsibilities or schedule	12%	13%
Increased company focus/scrutiny on sustainability measures	10%	10%
Unpredictable weather	9%	9%
Limited or no flight availability to the business event location	10%	8%
Business event content and participants were probably not worth the trip	5%	5%

Have you avoided or cancelled a business trip by air for a reason other than cost in the past year?

Business Travelers Survey BASE: N = 673 (Excluding respondents that selected "no reasons")

11

Company travel policies

The share of companies with policies in place restricting business travel declined to 43% in 2023 Q1 from 49% in 2022 Q4. However, more companies that have restrictions in place are carefully scrutinizing certain aspects of travel.

The most cited policy is stricter evaluation of who/why travels (53%). More companies than the prior quarter report additional spending limits (47%), more objectives per trip (47%), and fewer employees sent per trip (45%).
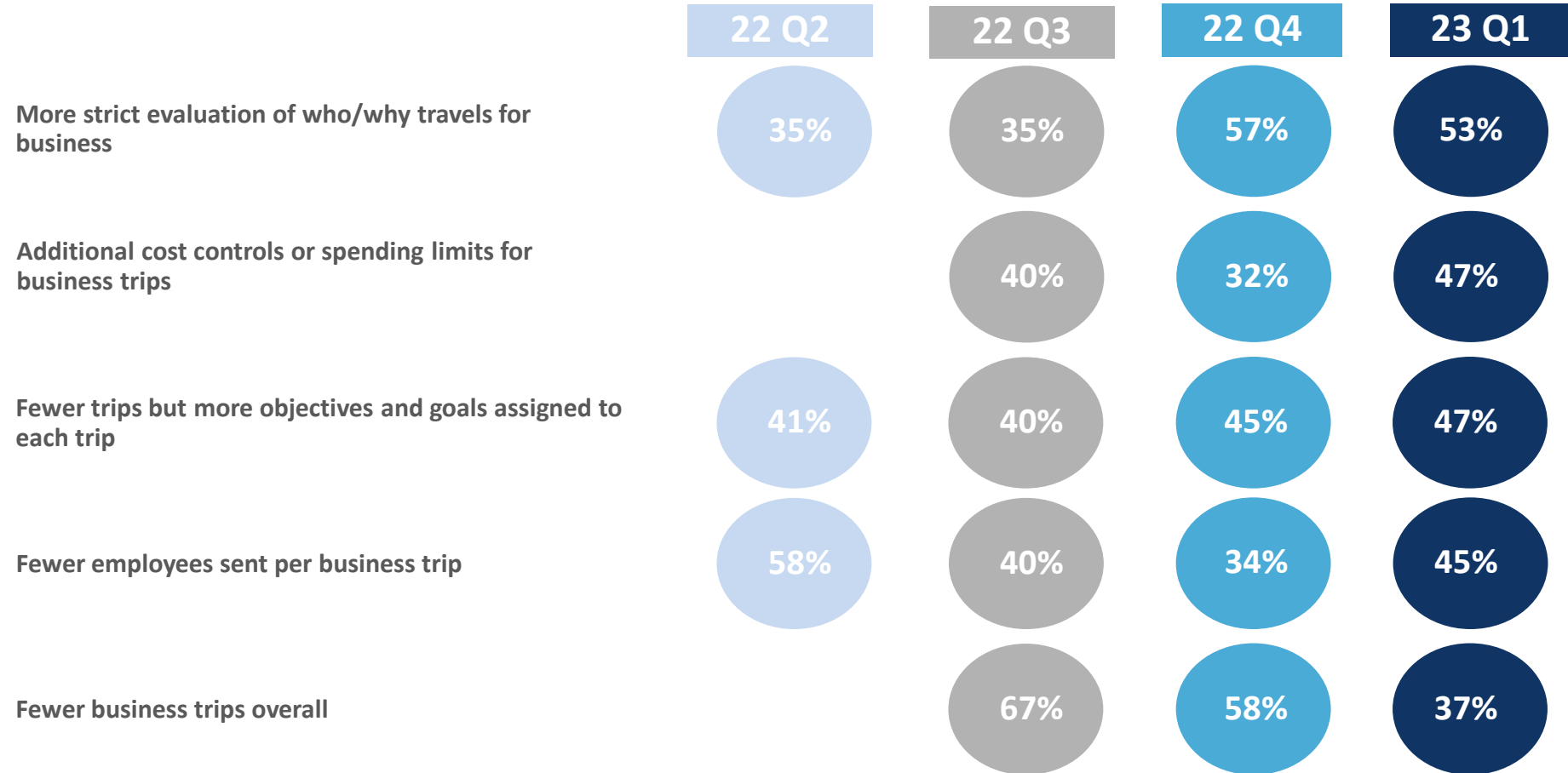
Nearly one-half of corporate executives (48%) anticipate existing business travel polices will be re-evaluated in the second half of 2023.

At the same time, the share that report fewer trips overall has declined significantly to 37% in 2023 Q1.

A greater share of companies are scrutinizing who travels and how travel is conducted

Policies implemented by firms restricting business travel

(Share of respondents whose company currently has policies in place restricting business travel)

	22 Q2	22 Q3	22 Q4	23 Q1
More strict evaluation of who/why travels for business	35%	35%	57%	53%
Additional cost controls or spending limits for business trips		40%	32%	47%
Fewer trips but more objectives and goals assigned to each trip	41%	40%	45%	47%
Fewer employees sent per business trip	58%	40%	34%	45%
Fewer business trips overall		67%	58%	37%

Which of the following policies restricting business travel are in place at your company or organization?
Corporate Executive Survey BASE: 23Q1 N = 49; 22Q4 N = 53; 22Q3 N = 48; 22Q2 N = 132

Note: Surveys up to 2022 Q4 asked about pandemic related policies, while the 2023 Q1 survey asked about general travel policies that limit business travel.

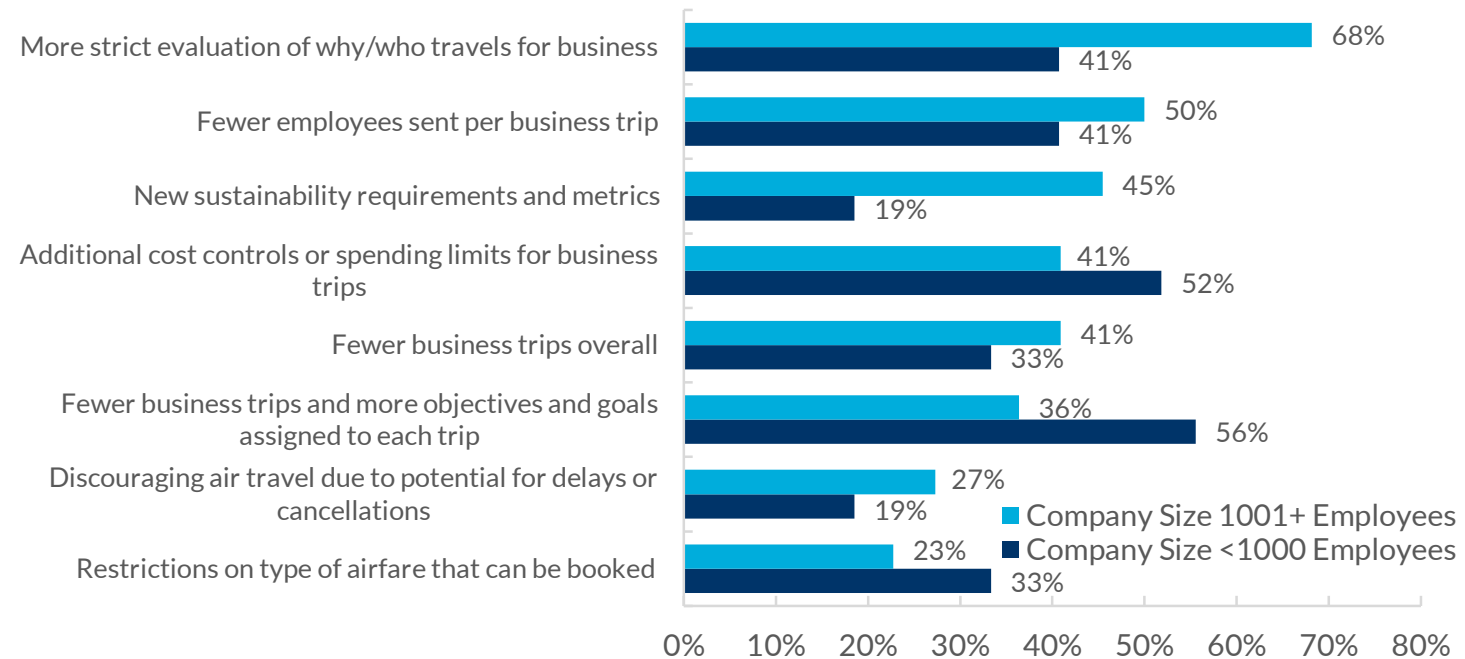# More large companies have numerous travel policies in place

Among companies restricting business travel (42% of small companies and 46% of large companies), a greater portion of larger companies have implemented stricter evaluation of who/why travels for business (68%) than smaller companies (41%).

On average, small and large companies have three restrictions on business travel in place.

Policies implemented by firms restricting business travel by firm size
(Share of respondents whose company currently has policies in place restricting business travel)

Policy	Company Size 1001+ Employees	Company Size <1000 Employees
More strict evaluation of why/who travels for business	68%	41%
Fewer employees sent per business trip	50%	41%
New sustainability requirements and metrics	45%	19%
Additional cost controls or spending limits for business trips	41%	52%
Fewer business trips overall	41%	33%
Fewer business trips and more objectives and goals assigned to each trip	36%	56%
Discouraging air travel due to potential for delays or cancellations	27%	19%
Restrictions on type of airfare that can be booked	23%	33%

Which of the following policies restricting business travel are in place at your company or organization?

Corporate Executive Survey BASE: N=49

13

Negative impacts

Executives and business travelers report reduced business travel is having negative impacts on company performance.

Compared to prior quarters, a greater share of corporate executives in 2023 Q1 are reporting negative impacts of reduced business travel related to long-term revenue impacts (49%) and the company's ability to acquire or keep customers (42%).

Among respondents, 35% believe reduced business travel is negatively impacting the company's ability to stay competitive.

Half of executives believe reduced business travel has long term negative impacts on company revenue

Impact of reduced business travel on company

(Share of corporate executives)

	22 Q2	22 Q3	22 Q4	23 Q1
May have short-term savings but long-term negative impacts on revenue	46%	37%	44%	49%
Negatively impacting the company's ability to acquire or keep customers	30%	38%	41%	42%
Negatively impacting the company's financial performance	36%	40%	38%	35%
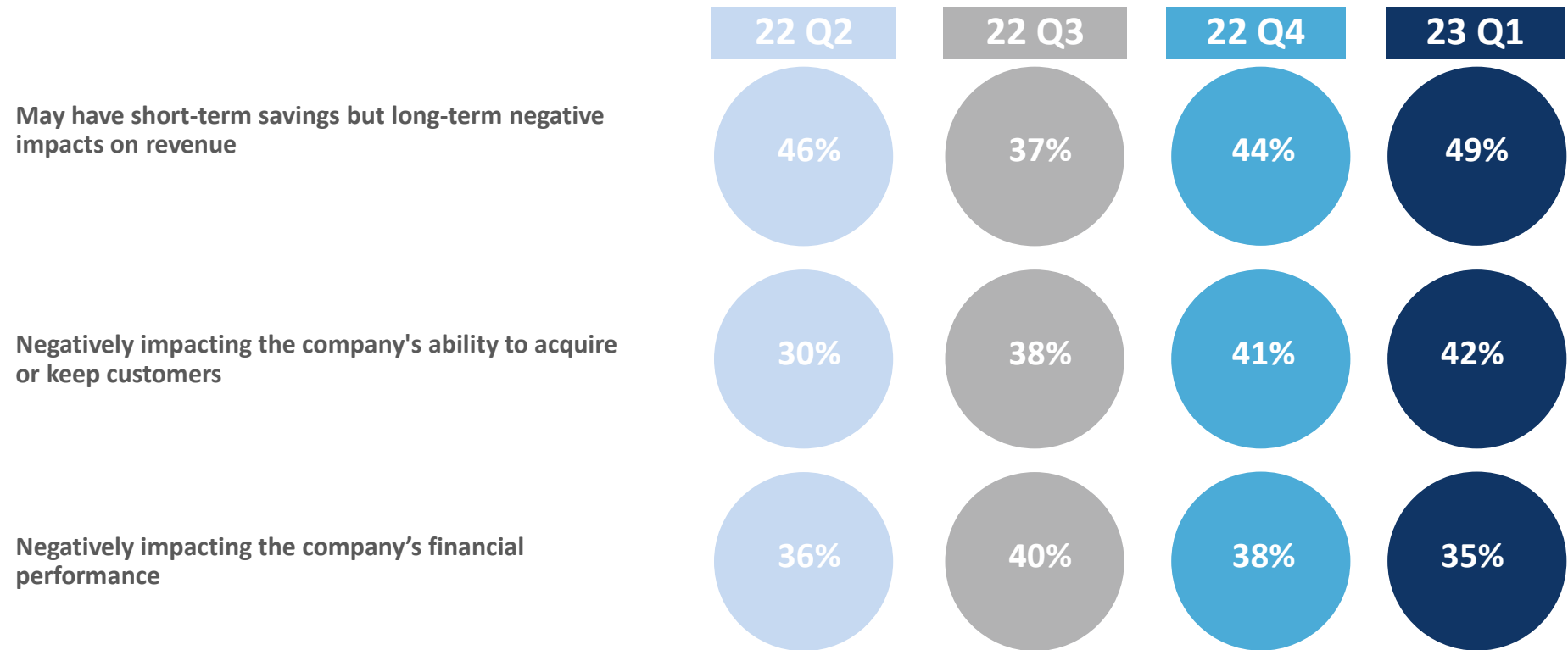
Is reduced business travel having any of the following impacts on the company or organization where you work?

Corporate Executive Survey BASE: 23Q1 N = 113; 22Q4 N = 81; 22Q3 N = 82; 22Q2 N = 132

14

Note: Surveys up to 2022 Q4 asked executives about reduced business travel compared to 2019, while the 2023 Q1 survey is in relation to 2022.

Company willingness to offer flexibility

The vast majority of executives are supportive of flexible work arrangements and blended travel opportunities. Three-quarters of executives are likely to encourage their employees to extend business trips for leisure (75%) and allow employees to work remotely from anywhere (86%).

Large companies are more likely than small firms to allow or encourage flexible work arrangements and trip extensions for leisure. Among large company executives, 91% are likely to allow employees to extend a trip for leisure purposes compared to 63% of small company executives.

Most companies are likely to encourage flexible work arrangements and trip extensions for leisure

Likelihood of an organization to allow or encourage personal flexibility
(Share very likely and somewhat likely)

■ Company Size 1001+ Employees
■ Company Size <1000 Employees

Allow or encourage employees to work remotely from anywhere
- 91%
- 83%

Allow or encourage employees to extend business trips for purely leisure purposes
- 91%
- 63%

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%
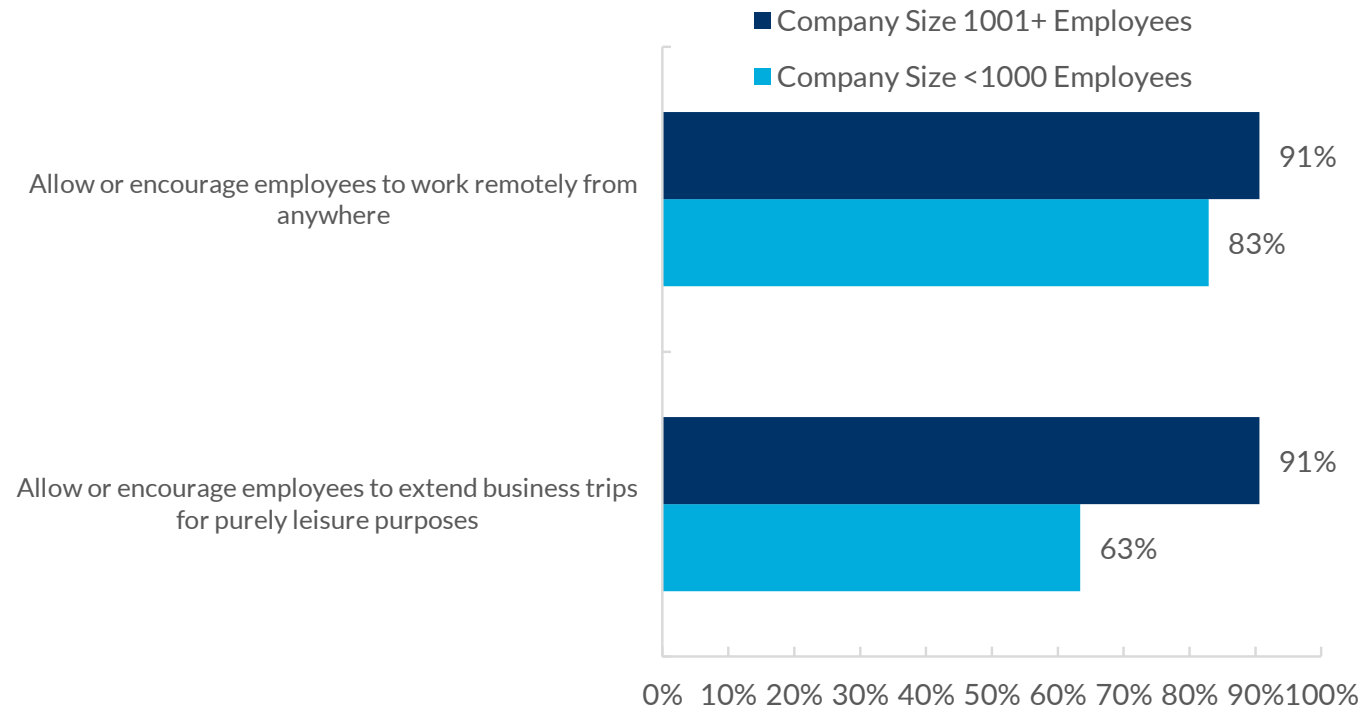
How likely is your organization to allow or encourage employees to do the following in 2023?

Corporate Executive Survey BASE: N = 113

Personal flexibility

Many business travelers consider personal flexibility around work trips

In the past six months, 45% of business travelers extended a business trip for at least one night for leisure purposes.
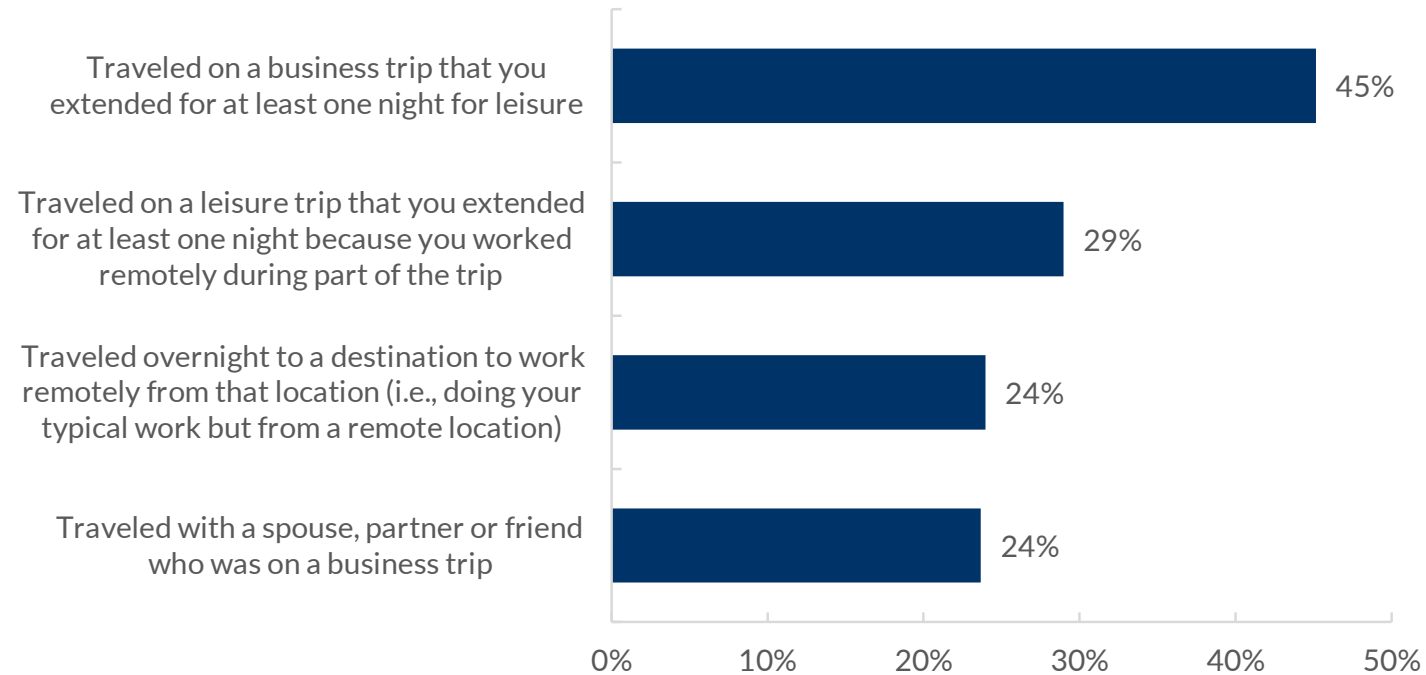
When considering to extend a business trip for leisure purposes, the opportunity to explore a destination (36%) is the most cited motivating factor, followed by the fact that transport costs are already covered (31%).

Half of business travelers would typically create an extended weekend when extending their trip for leisure, and 42% tend to spend this time with a spouse.

A supportive company culture/policy is a key factor for 34% of business travelers to work remotely in a new destination.

Personal flexibility around business travel
(Share of business travelers)

Traveled on a business trip that you extended for at least one night for leisure	45%
Traveled on a leisure trip that you extended for at least one night because you worked remotely during part of the trip	29%
Traveled overnight to a destination to work remotely from that location (i.e., doing your typical work but from a remote location)	24%
Traveled with a spouse, partner or friend who was on a business trip	24%

In the past six months, have you:

Business Travelers Survey BASE: N = 2379

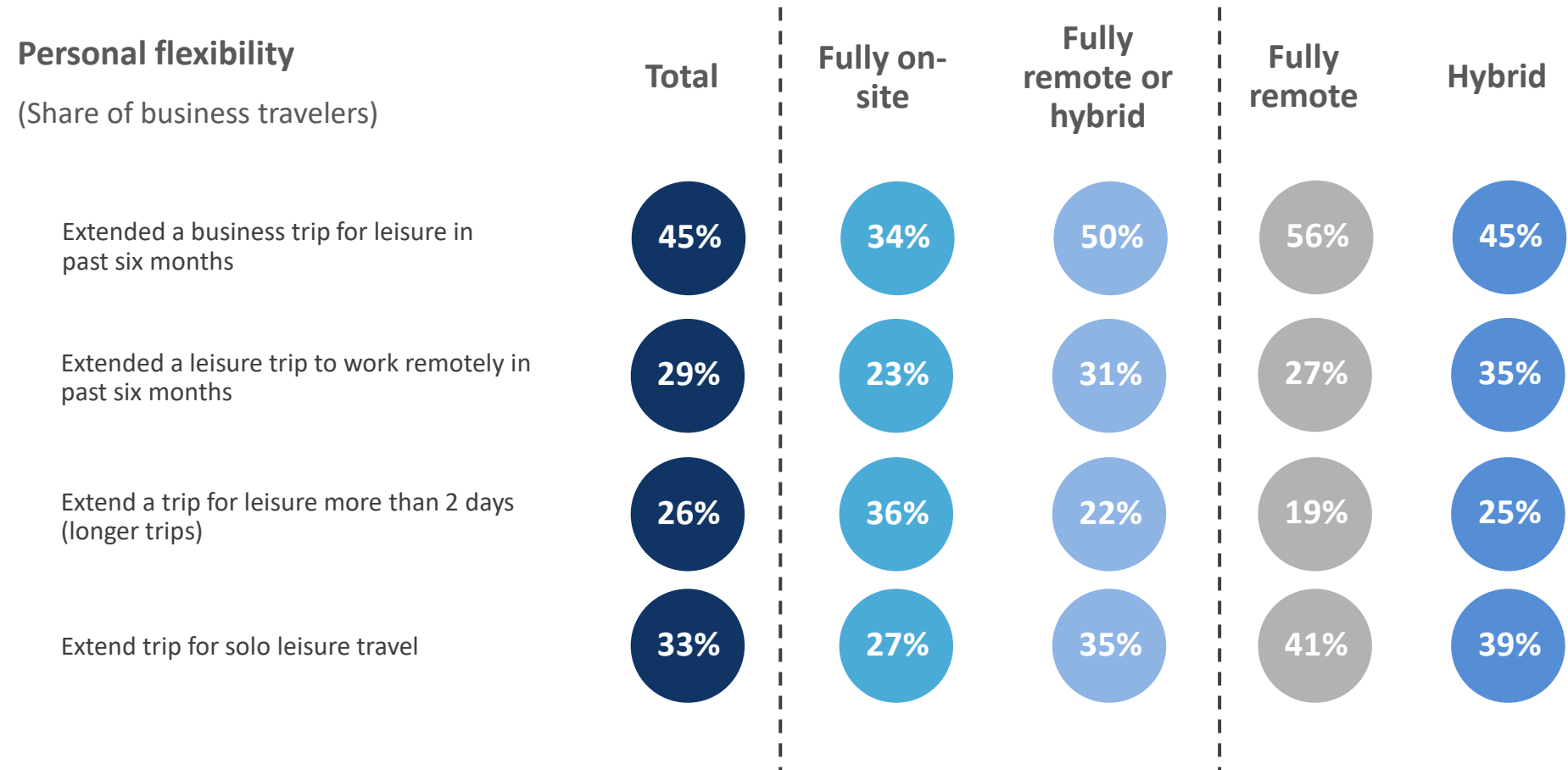# Partially or fully remote workers are more inclined to consider personal flexibility around work trips

In the past six months, more business travelers who work partially (hybrid) or fully remote extended a trip for leisure purposes (50%) than those working fully on-site (34%).

When extending business trips for leisure, more fully onsite workers (36%) tend to take longer trips than remote workers (22%) who are more inclined to travel solo (35%).

When working remotely from a new destination, a supportive company culture (45%) is the most cited motivator for fully remote workers.

Personal flexibility

(Share of business travelers)

	Total	Fully on-site	Fully remote or hybrid	Fully remote	Hybrid
Extended a business trip for leisure in past six months	45%	34%	50%	56%	45%
Extended a leisure trip to work remotely in past six months	29%	23%	31%	27%	35%
Extend a trip for leisure more than 2 days (longer trips)	26%	36%	22%	19%	25%
Extend trip for solo leisure travel	33%	27%	35%	41%	39%

Business Travelers Survey BASE: N = 2379

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