The new shape of business travel Sabre Insights - June 2022

While leisure travel continues to lead the post-COVID-19 recovery, recent data indicates that the return of corporate travel is accelerating. In recent months, the difference in the recovery between corporate and leisure has narrowed significantly, presenting opportunities for travel management companies (TMCs) and other players in the business travel segment.

The reasons for the initially slower return of corporate travel were also explored in Sabre's latest research study; after two years of relying on Zoom and Teams, most companies are now accustomed to, and dependent on, virtual meetings. Many also have a conservative approach to duty of care and allow their staff to travel only when it is very safe; and some simply see virtual meets as a way to save costs.

On the other hand, during the interviews that Sabre conducted with airline and agency executives, it became apparent that the changes brought about by the pandemic, and the new ways of working in many companies, are also creating new opportunities for business travel.

In an era of remote, flexible work, travel is more important to business culture than ever before

There's no doubt that the pandemic has brought about huge changes to working culture. We've all seen the power of technology in helping us stay connected and to keep business moving from afar. People are working from home, processes have been digitised, office space has been downsized, and many people used the opportunity to relocate away from their place of work. Sabre introduced a permanent 'Work from Anywhere' policy 18 months ago and has seen benefits in supporting work/life balance, improving productivity, motivation and job satisfaction.

Ultimately, people are spending less time in the office and with their colleagues than before the pandemic, meaning that companies have had fewer opportunities to cultivate their corporate culture and team spirit. Business travel for in-person meet-ups has therefore become key for companies to drive and maintain their corporate culture. As CEO of Amex GBT Paul Abbot wrote in a column, *'The office used to drive culture. Now it will be travel.'*

The lines will continue to blur, facilitating the rise in 'revenge travel' and the new 'bleisure'

Pent-up demand to travel freely again has resulted in an increase in 'revenge travel' – the strong desire to travel even more than before the onset of the pandemic to make up for lost time. This desire to travel, combined with a newfound flexibility when it comes to remote work or learning, is expected to mean travellers may stay longer at a destination. Boundaries between work and travel are blurring as people take 'workcations' – taking longer trips and combining work with a vacation. Doors have opened on 'dream' trips that perhaps would not have been possible pre-pandemic, such as spending a month in the Caribbean, working during the week and taking advantage of the locale on the evenings and weekends.

Delivering the corporate travel experience of the future

To succeed in the current ecosystem, travel companies should take advantage of these emerging trends in the business travel space while supporting 'traditional' business travel as it makes its return. However, these trends add further complexity to the already complicated interplay between travellers and their employers, as well as TMCs and their suppliers and technology providers.

Take 'workcations' as an example: There are considerable additional considerations with these – both in terms of traveller needs (e.g., type of accommodation, requirements such as high-speed internet, flexible cancellation) and for corporations, with impacts on duty of care, tax implications, etc. Added to this, business travellers will continue to expect more from their travel experiences, demanding highly personalised, flexible trips that offer the level of choice and control they've come to expect from interactions with online-native businesses, and this will need to be complemented with the high level of service, quality assurance and disruption management that customers came to appreciate during the pandemic.

Sabre is working on the right technology to support this evolution and to allow its customers to embrace new opportunities as they arise. Sabre believes there is enormous opportunity to make corporate travel better – through personalised offers, enhanced service, disruption management, customer identification, and loyalty. Sabre is focused on creating an open and multi-source ecosystem across a range of travel content, which the broader travel community can benefit from. Under this strategy, Sabre will focus on delivering the corporate travel experience of the future – which will include the enablement of highly personalised business travel offers, bleisure travel experiences, and technology that supports the most complex travel itineraries and most demanding customers. 🌐

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