

COST CONTROL IS HOT TOPIC FOR TRAVEL MANAGERS IN 2013



Cost control is the primary topic for the year 2013 for travel managers worldwide - regardless of the enterprise size, the industry, the travel volume or the extent of the travel program. That is the main result of the annual study by CWT Travel Management Priorities of Carlson Wagonlit Travel (CWT).

Accordingly, travel managers concentrate more on the areas that promise the largest cost minimizing potential rather than on factors which positively influence the needs of the business travelers in 2013. That carries on the trend from the previous year.

The measures for achieving the objectives differ from region to region: **Travel managers in Europe, the Middle East and Africa tighten the travel guidelines for flights and train journeys to reduce the travel costs.** In addition, the hotel expenses increasingly come closer into its focus.

North American travel managers on the other hand, aim for more consolidation of their travel programs and the standardization of the process. Their colleagues in the Asia/Pacific region lay their focus on a stronger enforcement of the travel guidelines as well as the target of preferred booking channels. In Latin America, the travel managers concentrate on the implementation of the advance reservation deadline for flights and on more strict guidelines for rental cars.

"Due to the challenging economic climate, travel managers are still under pressure. They have to reduce the costs as well as watch out for effective processes", said Christophe Renard, Vice President of Marketing, Communications and Business Intelligence at CWT. "Since flights, trains and rental cars make up the major part of the travel costs, it does not come as a surprise that these are at the top of the priority list - despite the already high degree of optimization in these areas."

The compliance with travel guidelines in connection with "Technology 2.0" only plays a role for travel managers with worldwide responsibilities. The three most important measures therefore, are mobile services for travelers, the set-up of social media tools or apps as well as the provision of a web-based traveler's portal. Travel managers responsible for regional areas preferably plan more traditional measures for the promotion of the travel guidelines, for example better communication and training.

"Travel managers with a global task field preferably tend to give a chance to new processes and methods", said Christophe Renard. "They tend to be very advanced in regards to the optimization of their travel programs. Therefore, they take on new challenges with innovative methods more often than others."

In addition to the priorities of the travel managers, **the study also shows the business travel trends of the year 2013.** The most important results:

- The worldwide inflation will have an overall moderate impact on the travel prices. The increase will lie under five percent.

- At the same time, increasing costs for additional fees and fuel surcharges require special attention of the travel managers.
- Technology, which was created for end consumers, increasingly gains entry into products for the business travel market. Evaluation portals and mobile applications made especially for business travelers belong to that.
- "Travel Management 2.0": Travel managers have to find the right balance between the needs of business travelers and the right measure of control for budget- and safety reasons.
- The risk management will also gain in importance because companies increasingly send their travelers to high risk areas. The duty of care for business travelers is becoming an inherent part of the legal responsibility of the company towards their employees.

The study by CWT Travel Management Priorities is based on an international survey of over 700 travel managers. It includes companies with medium-sized national travel programs and annual travel expenses in the area of two million US-Dollars as well as companies with large, international travel programs, who spend more than 100 million US-Dollars for trips a year.

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