

GENERATION Y BUSINESS TRAVELLERS INCREASING IN NUMBER AND INFLUENCE



Business travel is being redefined with the increasing presence and influence of Generation Y. The approach of members of Generation Y to business travel is different in many ways, owing to a number of factors, including technology, a desire to meet new people and explore new places. Gen Y business travel trends are certainly worth considering, given that they make up a third of business flight passengers in the US and have higher travel expenditures than average. What's more, their roles in business travel will continue to expand as they take on more influential positions in their companies.

Travel booking and planning

When it comes to booking and planning business travel, mobile devices are indispensable for Gen Y members. For booking, 32% use smartphones and 20% use tablet devices, in comparison to only 12% of over-45 business travellers using mobile devices. Almost three-quarters of Gen Y travellers use travel apps on their mobile devices for travel planning. Online reviews are also important for travel planning for 80% of Gen Y travellers. Interestingly, posting negative reviews of hotels, restaurants or transport services is more common among Gen Y compared to older business travellers.

Incorporating leisure travel

Another trend seen among Gen Y travellers is the tendency to combine business and leisure travel, or as they say, mix business with pleasure. The Hilton Garden Inn chain conducted a survey that found 84% of Gen Y travellers are keen on extending a business trip by a few days for leisure purposes, a considerably higher proportion than older business travellers. Sixty-five percent of Gen Y business travellers also said the highlight of a business trip for them was exploring a new city.

Loyalty programs

A higher proportion of Gen Y travellers participate in loyalty programs. When booking flights and hotels, loyalty programs are considered by 48% and 51% respectively, which is higher than older travellers (31% and 30%). Gen Y travellers are also interested in different program benefits compared to older travellers, with a greater interest on free offers and discounts rather than upgrades. Also, despite joining loyalty programs, Gen Y members show less brand loyalty, compared to older travellers. They will change to different airlines or hotels when they think another loyalty program is more suitable.

Youth hostels

Youth hostels are increasingly favoured among young travellers since they are a cheaper alternative and are less lonely compared to staying in an individual hotel room. Almost 20% of guests of the Generator Hostels chain, on certain off-season days, are young business travellers.

Responding to Gen Y

- The Marriott chain has responded to the way Gen Y plan meetings and has created a creative, online platform called "Meetings Imagined". The website contains advice from experts, the latest event planning trends, and many photos to take inspiration from. It also has a feature that enable users to collaborate with the hotel to create personalized experiences and get ideas.

- Fusion in Prague, which is a hotel and youth hostel combination, has been accommodating to young business travellers. It offers individual and dorm rooms in addition to youth-oriented meeting spaces. Fusion in Prague also has a social media network that allows guests to meet each other before and during the hostel stay.

Outlook

With the number of Gen Y business travellers increasing - set to represent 50% of business passengers by 2020, compared to Baby Boomers drop to 11% - not to mention their growing influence, stakeholders in the tourism industry should take note of this generation's travel habits and respond accordingly to better accommodate their travel needs.

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