

BUSINESS TRAVEL IN WESTERN EUROPE EXPECTED TO GROW



GBTA Foundation's recent report, BTI Western Europe Outlook, released on November 9 showed that Germany is spearheading the growth with a 10% increase in business travel in 2015. The report also predicts that the combined business travel spending of Germany, the UK, Spain, France and Italy is likely to grow more than 6%, both in the current year (6.4%) and the next year (6.3%), indicating that Europe's economic growth is gaining momentum and it is right on track for a breakout.

These five markets represent as much as 70% of the total business travel market in Western Europe. **This is to say that the business travel market will grow to \$210.6 billion in 2016 after the bouncing back in 2014 and hitting \$186.3 billion mark.** The semi-annual survey, conducted by the education and research wing of GBTA (Global Business Travel Association) was sponsored by Visa.

Catherine McGavock, regional vice president EMEA, GBTA, said the results of the study indicate that Europe's economic growth is gathering momentum. Actually, the growth in business travel is stronger compared to the moderate economic breakout with Germany recording double digit increase in spending and both Spain and the UK reporting more than 7% in 2015. However, the global economic uncertainties pose risks to the business travel breakout. For many companies, this presents a cautiously optimistic outlook.

Germany, which represents more than 20% of the business travel activity in Western Europe, is the biggest contributor as far as the continent is concerned. The UK has also put in a strong performance as an improvement in the employment situation and a decline in energy prices have driven consumption up. As the economic turnaround of Spain continues to gather momentum, it is expected that business travel growth will be robust in the current year as well. On the other hand, France and Italy are faced with challenges as their economic weakness is negatively impacting the business travel growth rates.

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