



# Reboot Recharge Rethink **Business Travel**

Research on the COVID-19 impacts  
for business travel agencies and our  
insights on how to recover stronger

**amadeus**

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2020 has presented unprecedented challenges in the travel industry. Business travel has largely ground to a halt – and video conferencing has become the norm. Yet, we believe business travel is resilient and will return, as technology cannot replace the value of face-to-face meetings to make business happen and build relationships. The road to recovery will undoubtedly be challenging – but with every challenge comes an opportunity. The key to unlocking this opportunity is to work together to understand and shape the future of business travel, and define what we can do collectively to not only accelerate the recovery, but also grow beyond it.

It is against this backdrop that we engaged in discussions with nearly 100 C-level executives from business travel agencies around the globe during Q3 2020. We asked about their views on the current situation, the pace of recovery and factors that will shape the recovery. We also asked about their top priorities, needs and business strategy to help accelerate the recovery.

Within this ebook you will find insights gleaned from these discussions, as well as our own thoughts and concrete examples on how we can not only reboot and recharge, but also rethink business travel. Despite these challenging times, there are multiple initiatives already underway across the industry to regain the confidence of corporations and travelers – and it is clear technology will play a key role in the recovery and preparation for the new world of business travel.

We do not have a crystal ball. We do not have the magic recipe. We know we are in a volatile and uncertain environment, but talking with customers and stakeholders across the travel industry, we are convinced that business travel has a future. Let us shape it together and make business travel even better.

*Rajiv Rajian,  
Executive Vice President, Global Business Travel, Amadeus*

## Executive summary



Business travel agencies' imminent challenge is to survive. Given very **low business demand**, they face **significant cash flow** concerns and a need to **tightly manage costs**.



**Health, safety and traveler wellbeing** are the main drivers for recovery, and business travel agencies are facing new demands coming from both travelers' individual needs and corporations' enhanced focus on duty of care and security.



The new world of business travel will see an **increased demand for a broader range of content, in addition to personalization and end-to-end trip servicing**. It will also accelerate digitalization and self-service.



Business travel agencies' main recovery strategies are **to enhance operational efficiency** and accelerate **revenue diversification**.



The guiding principle for business travel will be a **stronger traveler focus** and a frictionless **end-to-end travel experience**.



Business travel agencies see **technology as the key enabler** to operational efficiency and delivering differentiated customer service.



**Collaboration** will be essential to accelerate recovery and build a more resilient and sustainable industry.

# I. Reboot and recharge: insights from our global research

## A. Global Travel Outlook

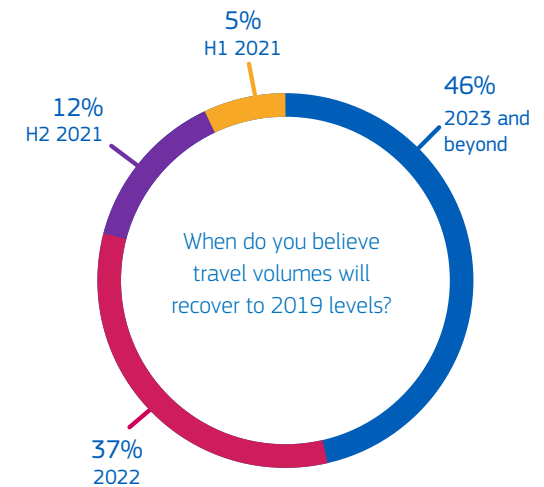


### The one-trillion-dollar question - when will travel recover?

If to date, the travel industry is showing its first signs of a shy recovery, let's not ignore the elephant in the room: it will take time to return to pre-COVID-19 levels.

While IATA estimates that global passenger traffic will not return to 2019 levels until 2024, 37% of business travel agencies senior executives see a recovery in 2022, but **46%** think **travel will only recover in 2023 or beyond**.

**One key concern that needs to be addressed in order for the recovery to take place is travel safety.** Travelers need to feel confident enough to travel again. Therefore, travel agencies will need to provide the right level of information and reassurance about the measures in place with key travel providers.



### Leisure or Business first?

As far as which travel sector will recover first, business travel agency leaders believe **leisure traveler will lead the way (49%)**. **Recent data** from China and in other less affected countries shows that travel starts locally first. Travelers will start by visiting their family and friends first (52%), before embarking on their next "new-normal" trips (**72%** of leisure travelers say they would consider resuming international travel once COVID-19 travel restrictions are lifted), and ultimately start traveling again for business purposes.

28% of all respondents think instead that it is business travel that will recover first.

What travel sector do you think will start recovering first?



Leisure Travel

49%



Business Travel

28%



About the same

23%



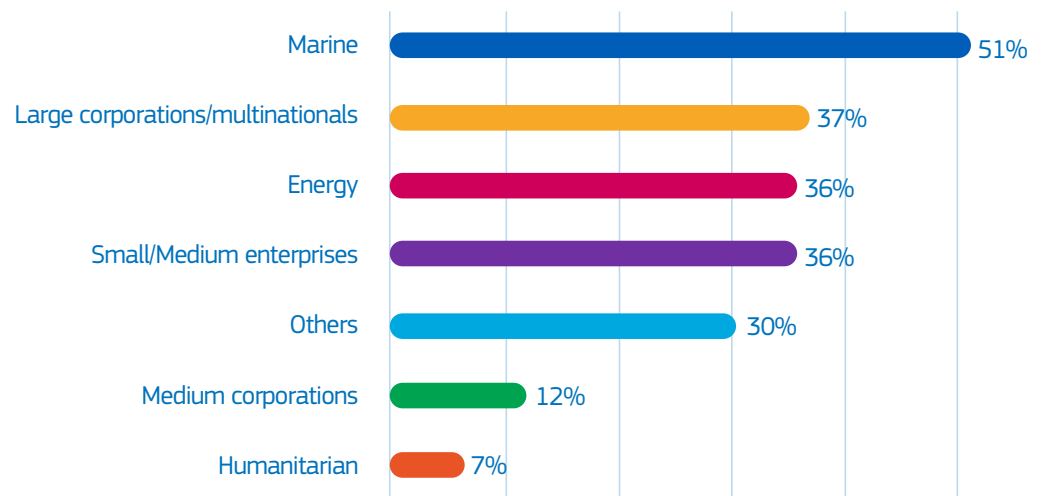
## B. Global business travel evolution & trends

Who will be  
the first  
business  
travelers?

**Marine (51%) and energy (36%) companies are expected to recover first**, and our customers are already seeing evidence of this, due to the offshore and “fly-in-fly-out” nature of these industries, the majority of which are made up of crew and staff movements.

It's not surprising to see the humanitarian sector predicted to recover last, given travel funds are limited. Aid workers are still traveling, but volumes are considerably less.

In Business Travel, what type of industry do you think will start recovering first?



Now the following paradox is an interesting one: **while larger companies** (pharmaceutical, consulting, construction companies...) **and smaller companies are both considered as the next ones to recover** by more than a third of our business travel agency leaders, **medium-sized corporations (12%) are projected to take longer to resume travel**. Some insights shared in the executive conversations help explain the view:

1

Larger corporations are “big enough” to be able to make executive decisions regarding new travel policies that incorporate enhanced safety measures for employees that are enforced globally.

2

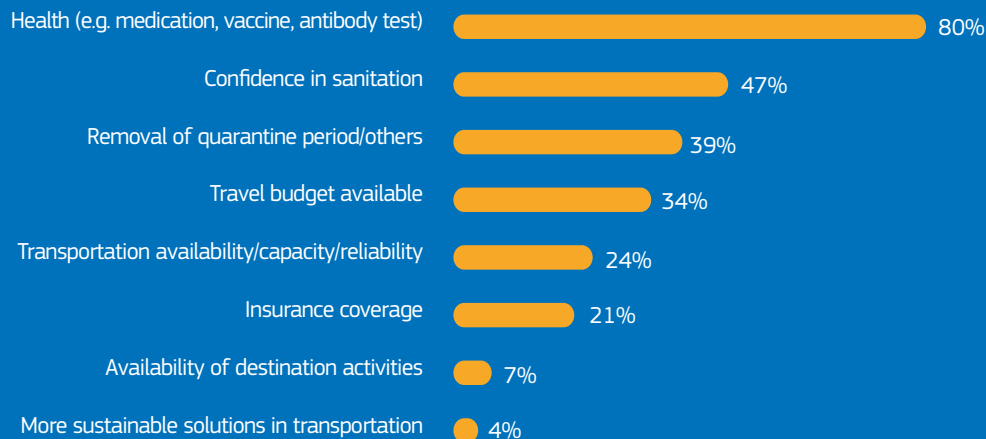
Smaller companies benefit from less hierarchy and are therefore “lean enough to make decisions quickly”. Policies will be more liberal, if they exist at all, and therefore employees will resume travel more quickly to engage in face-to-face commercial meetings.

3

Medium-sized companies somehow fall in the middle, viewed as being too big to not have any travel policy, and at the same time, less able to enforce them.

# Will health be the only factor to drive recovery?

## Factors to drive return to Business Travel demand



Whereas **travel budget** was undoubtedly a key driver for business travel in the pre-COVID-19 era, **one third of executive business travel agency leaders** believe this is no longer the top priority. Business travelers are believed to be ready to pay more, provided **health protection measures (80%) are in place and confidence in sanitation (40%)** is restored. And of course, the recovery will likely only happen once quarantine periods (39%) are removed. A significant travel rebound, in whatever form it takes, probably requires widespread vaccination and an effective treatment or cure, together with alignment on government restrictions and airline reliability/availability. For global TMCs, besides health, they also strongly highlighted that recovery can only happen if travel budget is available, and routes securely reopened.



Everything that helps to reduce uncertainty will drive recovery.”

**Martina Egger**

General Manager, ATG Travel Deutschland GmbH

## What will tomorrow's business travel look like?

When we asked business travel agencies what they thought the future of business travel would look like, three major trends gained consensus: the increase of the demand for beyond-air content (66%), the shift towards more online and digitalization (63%), and a transformation of the MICE (Meetings, Incentives, Conferencing, Exhibitions) business (61%).

If we first deep dive into the expected increase of beyond-air content, our customers are foreseeing **higher demand for hotels (33% of respondents), car rentals (33%), rail (26%), insurance (22%), transfers (14%), but also requests for new types of ancillary services or other services (23%) such as repatriation or medical assistance.**

More than a real new way of traveling, it is also perceived as a trend to counteract the current lack of flight availability, reliability and visibility on forecasted routes and safety regulations. What's likely to be more futureproof is the need for seamless **door-to-door travel** and a higher level of duty of care that addresses business travelers' health and safety concerns.

The second highest ranked trend is the stronger **shift towards online and digitalization**. Traditionally, support and complex servicing are mostly performed offline, however most of the interviewees recognize the current acceleration of the shift to digital and the need to adapt the way in which business travelers are serviced to fit their needs.

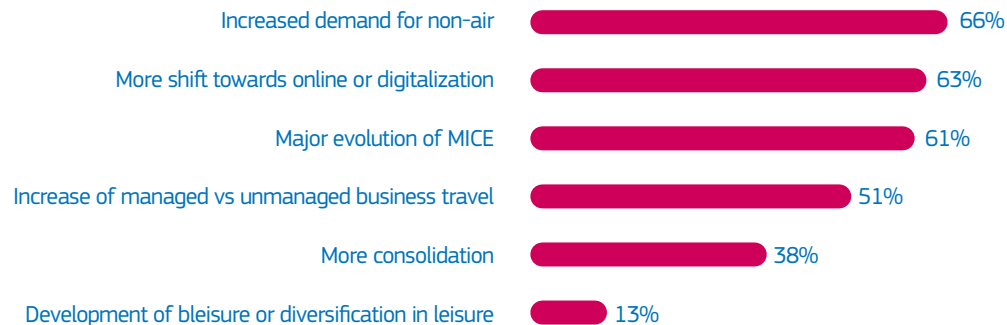
Global TMCs for instance all agreed that further development of self-booking and self-service tools for business travelers is needed to offer true online end-to-end servicing and a better user experience. This will give business travelers more control, and at the same time, facilitate more efficient low-touch servicing using robotics, AI and automation to provide personalization. Many decision makers have decided to engage on the path towards more digital tools and solutions as part of their recovery strategy.

Business travel agency leaders also believe that MICE business will undergo a major change. The days of business travelers frequently traveling the world to attend conferences and events are on stand-by. Driven by advances in web conferencing and event technology, **virtual events are predicted to fundamentally transform the MICE business**. A decrease of MICE business is flagged by almost 2/3 of the respondents as the major change, which will make business travel suffer. Yet, 36%

of our customers do believe that more than a decrease, it will go through deep transformation (virtual meetings/trade fairs, hybrid events). They also witness that bookings for small meetings are more resilient and seem to recover faster.

Lastly, there is consensus amongst business travel industry leaders on an impending **shift from unmanaged to managed business travel**. In a COVID-19 world, with travel restrictions and border closures changing frequently, and duty of care more important than ever, companies are seeing the value a business travel agency can provide in helping employees navigate through disruptions quickly and efficiently. Without a Travel Management Company, all this complexity lies in the hands of the business traveler or the corporation, creating stress, inefficiency (dealing with many providers/intermediaries) and loss of productivity. The increased need for duty of care and post-sale services will highlight the important role of the travel agency and the expertise of a trusted travel consultant.

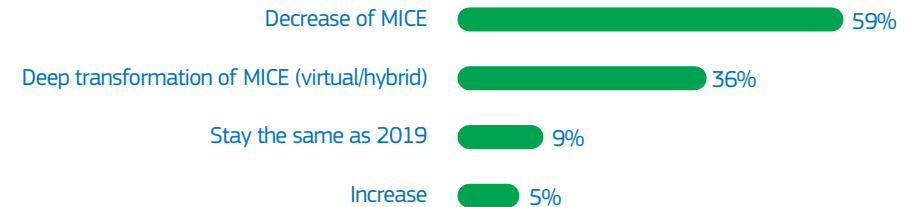
### Business Travel industry evolution



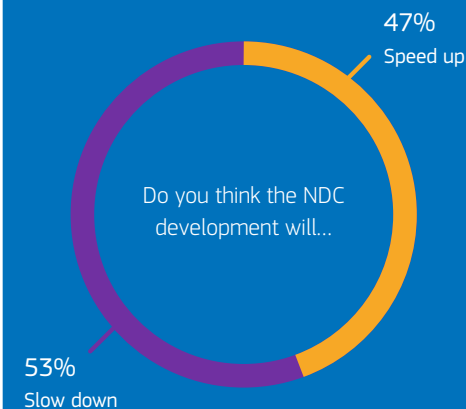
### Areas seen for increased demand for non-air



### Evolution & transformation of MICE



### What about NDC?



**There are mixed feelings as to how the COVID-19 crisis could affect NDC development:** 53% of interviewed C-levels believe that NDC will have lower priority, at least in the short term, due to the large amount of investment required (during a period of cost-cutting by airlines) but there is also recognition that it will greatly depend on the airlines. On the contrary, 47% believe that it will be accelerated due to the need to offer more content, more options, and to move from simple booking to full end-to-end servicing.

## What are business travelers' and corporations' expectations?

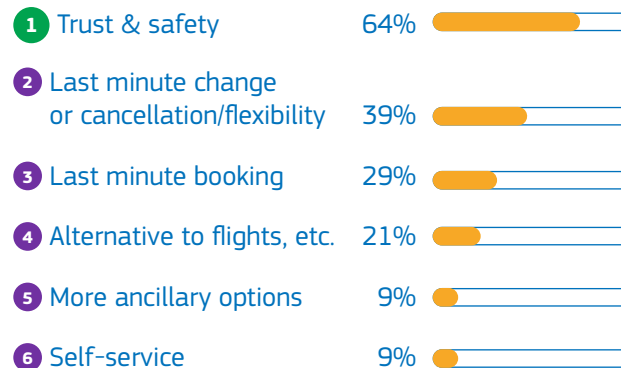
Business travelers face significant challenges in the current environment, encountering many friction points in the COVID-19 world.

What is not yet clear, is which of these are permanent and which are temporary – although inevitably the friction points that are here to stay will lead to new kinds of needs and requirements.

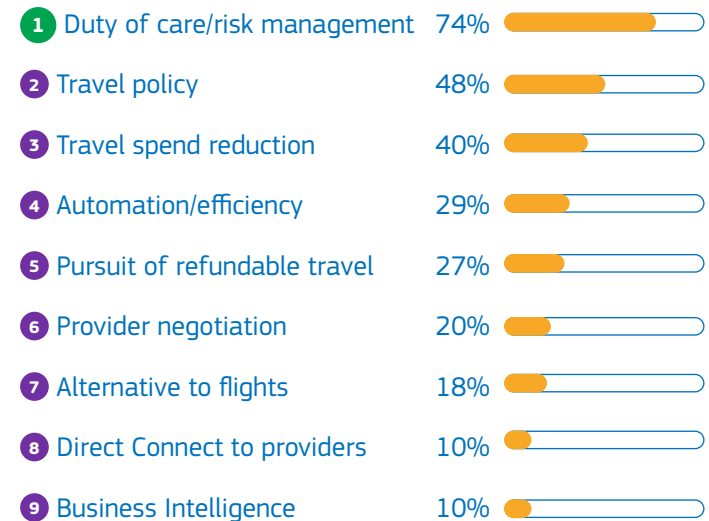
There is no doubt that the needs of both corporations and business travelers are related: on one hand, **travelers are looking for trust and safety** before getting back on the road again, and similarly for corporations, **duty of care and risk management are the top priorities**. Travelers' trust needs to be re-established: people want to travel, but they need to feel confident before traveling again. Access to consolidated and accurate information, with the flexibility to make last-minute changes to bookings, including cancellations, will go a long way in addressing the perceived risk. Travelers will also expect agents to know as much about government advisories, health alerts, lockdowns and disruptions as they do about destinations. With real-time data, travel agents can stay connected to the traveler before, during, and after the trip.



### Evolution of the business traveler behavior and sentiments



### Evolution of Corporations needs and expectations



**Travelers require a new level of support to help make informed travel decisions**, and it will be up to the corporations to define new policies to help ensure their employees' safety. To thrive, business travel agencies must find new ways to support corporate clients' efforts to maximize travel policy compliance, as well as accommodate themselves with the paradigm of corporations seeking to reduce their travel spend while travel costs have globally increased. Several regional studies are indicating that as much as 50% of trips were booked outside of the company policies before the COVID-19 crisis. As a result of stricter travel policies and increased emphasis on duty of care, we expect bleisure (the blending of leisure travel with a business trip) to decrease for the foreseeable future.



## C. Global business travel agencies' needs

### What is the current staffing situation?

The entire travel industry has been severely impacted by the COVID-19 pandemic, with all verticals having to look at cost reduction measures – one of which is unfortunately workforce reduction. Business travel agency staffing levels varies greatly from 100% down to 15% compared to pre-COVID-19 numbers.

**On average, 63% of the staff has been maintained**, with the great majority still working from home. Interestingly, only 2% of interviewees raised challenges with having consultants working remotely, while the vast majority of business travel agencies were already accustomed to teleworking on a regular basis, with the necessary equipment and technology provided to travel consultants.

### What are the top 3 pain points raised by business travel agencies?



Low demand & lack of visibility

Fewer airline routes, lack of visibility on rapidly changing government regulations, new (and unclear) needs of travelers and corporations, all of which result in challenges for business travel agencies to forecast and to adapt accordingly.



Cash in VS cash out

Even if 72% told us they are not managing massive cancellations and refunds anymore, the financial consequences of these time-consuming non-revenue generating activities for business travel agencies are clear, leading them to question the existing business model and trigger an investigation into expanding into new areas to diversify revenue streams.

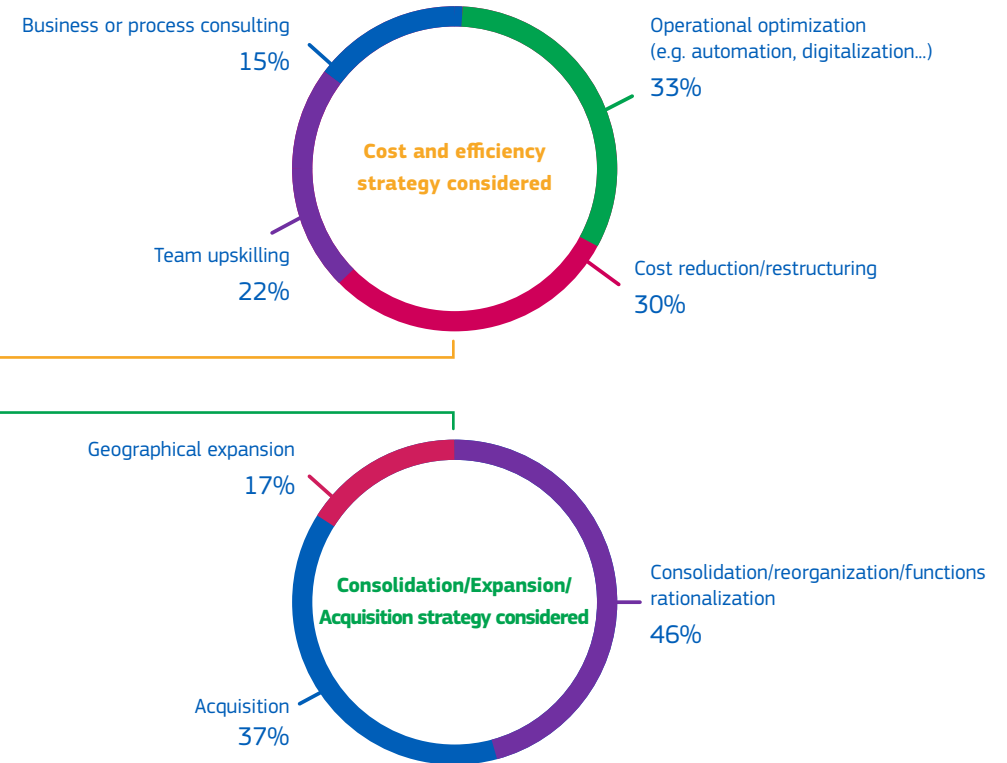
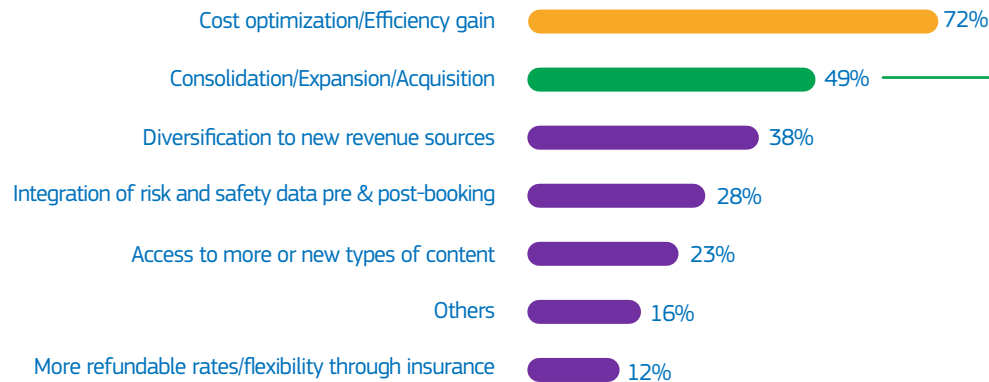


Cost reduction

The vast majority of business travel agency leaders are looking at what can be done to reduce their fixed costs in the short/mid-term. They want tools that can optimize costs and automate certain tasks, and any kind of technology that can help increase staff productivity while lowering manual interaction. It has been challenging find the right balance between the amount of staff they need for added-value activities versus the operational workload in an unpredictable future.

# What are business travel agencies' mid-term recovery strategies?

Business Travel Agencies strategy to accelerate recovery and increase relevance



**Far beyond any other, cost optimization/efficiency enhancement (72%) is the primary strategy of business travel agencies to recover.** Technology is expected to play a key role here in optimizing operations, with automation and digitalization of processes and solutions as a way to cut costs. Both workforce reduction and time reduction measures have already been put in place by the majority of business travel agencies, although a deeper restructuring is also envisaged, that will look at regrouping, rationalizing or outsourcing functions while simplifying the organization. Once this is done, staff upskilling will be the next step towards the recovery path.

**Almost half of the top executives we interviewed also consider consolidation inside their own organization (46%) or through acquisitions (37%).** While several executives indicated that their current financial situation does not support acquiring new travel agencies, others see an opportunity to increase and diversify their portfolio through such an investment. A minority (17%) seem to be looking at ways to grow through geographical expansion towards new markets.

**Diversification of revenue sources (38%) is also a popular strategy,** which can be achieved by expanding into new territories, enlarging the travel offer with new services or targeting new kinds of business travelers. To be successful with these new strategies, respondents are looking at experts to provide them with the relevant data they need: business intelligence partners that can provide market information, help spot emerging trends or share insights on the future of airline distribution; leading content providers who can provide new types of content and access to the latest technology; business consulting experts who can assess their organization and provide crucial advice to simplify their processes.

## II. Rethink Business Travel – growth beyond recovery

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Based on the insights from our business travel executives, coupled with what we are seeing at Amadeus, sitting at the heart of the travel ecosystem, we have identified four areas that should be a top priority in order to reboot, recharge and rethink business travel:

### **A. Rebuild traveler confidence:**

integrating risk and safety data and focusing on end-to-end travel experience

### **B. Regain profitability:**

supporting cost optimization and efficiency gains, and diversifying revenues

### **C. Leverage technology as a key enabler:**

accelerating digitalization, leveraging artificial intelligence and NDC

### **D. Industry collaboration:**

working together in and beyond the industry for a common goal and towards a sustainable future

### A. Rebuild traveler confidence

If we are to regain traveler confidence, it is clear from our conversations with business travel agency leaders that health, safety and hygiene concerns need to be addressed - for business travelers and corporations alike. We must continue to improve the end-to-end business traveler experience to ensure a smooth journey from pre- to post-trip, including efficient management of disruption and travel expense management.



## Integration of risk and safety data

### A change in business travelers' attitudes

The pandemic has changed both business travelers' attitudes towards travel, and corporations' focus on traveler well-being. While gaining momentum before the pandemic, COVID-19 has amplified these trends:

**74%** of business travel executives highlighted **duty of care and risk management as the main drivers** in the evolution of corporations' needs, and they are expected to take center stage in every corporate travel program.

**60%** of travel managers who responded to a **GBTA poll** in the spring of 2020 also stated that **advice from risk management firms** will help them feel more confident with getting employees back on the road.



### Integrating the right information

To address these concerns, Amadeus is partnering with [Riskline](#), the world-leading travel security and risk consultant, **to integrate COVID-19 specific information and intelligence** within mobile messaging solutions, as well as integrating safety data directly into our corporate self-booking tools and travel agency booking platforms. In the current climate, business travelers value access to a single source of reliable information to plan their trip. This includes real-time status and alerts, virus tracking maps, including destination-specific information on the latest travel restrictions, entry requirements such as quarantine procedures, and much more, to help navigate the rapidly changing regulations.

When travel restrictions ease, **hygiene protocols and sanitary measures will continue to be a priority** for travelers and travel providers. Around the globe, travel providers are adapting their infrastructure, adopting new technology, and streamlining their processes to implement measures to keep travelers safe. An example of this would be Hong Kong International Airport implementing the latest disinfection technologies such as applying an antimicrobial coating to surfaces and using robots for automated cleaning. Similarly, accommodation providers across the globe have implemented enhanced hygiene and cleanliness programs, adapted workplace protocols, and are taking steps to limit physical interactions to reassure travelers.

A crucial element for travel technology providers is to **display this hygiene and sanitary information to travelers at the right time**. With Amadeus positioned at the heart of the travel ecosystem, supplying both the accommodation providers and the bookers with technology, we are working hand in hand with travel providers to ensure this information is available for travel sellers. One example is how hotels and hospitality chains can now use a newly created 'Enhanced Safety Protocol' amenity code, allowing travel agents to easily filter results, to include only hotels with enhanced protocols, and provide that extra level of assurance needed to regain traveler confidence. Similarly, Amadeus will be integrating airlines RUPAs (Reassurance UPAs) in the different front-ends to provide the right level of information to travelers on airlines' health related measures.



## Travel 360 – end-to-end travel experience

### Towards a more holistic approach for Business Travel

Across the travel industry, **customer centricity** is driving investments in innovation and accelerating technology development to meet the needs of business travelers and the organizations they work for. Corporations are looking to TMCs and technology providers to help provide an end-to-end travel experience to help fulfill duty of care responsibilities. This means taking a **holistic approach to processes**, from planning to booking, in-trip, and beyond - including expense reporting and management. Many corporations currently face new and unforeseen challenges in their internal expense processes. With a higher number of employees working from home, organizations will have to digitalize their processes to ensure paperless expense reimbursement so that travelers can be reimbursed even if working remotely, as well as remote auditing of their receipts.

### Changes to corporate spend and travel expenses management

Integrated and digitalized expense solutions will also support corporations to protect their bottom line.

Even though availability of travel budget was ranked below health concerns as a driving factor for a return in demand of business travel, there is increased focus on managing costs, **and increased pressure to justify ROI on travel spend**. Therefore, we are likely to see corporations favoring company-wide, global corporate tools for travel and expense as opposed to decentralized technology with multiple and disconnected solutions. This will enable them to control travel spend more effectively, improve reconciliation processes and quickly adapt changing policies in what is still a volatile travel environment. Based on our research, this will be a growing trend and we expect more companies **to transition from unmanaged to managed travel**.

### Travel consultants more important than ever

In this 360 approach, travel consultants also have a key role to play in restoring traveler confidence in the wider industry, and to help ensure frictionless travel with and added human touch. They have the business travel expertise for helping plan and advise at time of booking, and the skillsets and tools to manage disruptions efficiently while **removing stress from the business traveler**. As a key priority is obviously to regain profitability, consultants will also play a key role in becoming well-rounded travel consultants rather than being bookers.





## B. Regain profitability

The collapse of demand has led business travel agencies into very challenging financial situations, with many agencies battling for survival. The game plan to survive, and in the long run to recover, is to cut costs in the smartest possible way, become more efficient and automatize non-added value high-touch activities and in parallel find new sources of revenues.



## Cost optimization and efficiency with automation

### The rise of customizable automation solutions

Automation workflows can be used to help business travel agencies deal with the current challenges and in the foreseeable future in many ways. Business travel agencies can leverage solutions that **automate the process of making changes** to a booking or issue refunds, or automatically detect better available fares on the same flight. But as no business travel agency operations are the same, the maximum benefit will come from scalable and customizable solutions that can be adapted to each agency's specific and unique needs, workflows and IT set-up. Our Touchless solutions, which are built on a flexible automation platform, can be fully customized to **process time-consuming and complex tasks** around-the-clock, including schedule changes and ticket updates, quality control of PNRs, ticketing time limit calculation, queue cleaning and much more.

### Organizational changes

Our research also shows that business travel agencies are moving forward with internal consolidation, regrouping of functions and **simplifying their organizations**. To achieve this successfully, they could make use of operational consultants to help with process simplification and function rationalization, IT experts to assess their IT platforms, and potentially outsource low-value-added activities, or develop bespoke solutions. As mentioned by interviewees, staff might be reassigned and their responsibilities evolved (outsourcing, increase support and digitalization), so upskilling will likely be necessary.



## Revenue diversification and personalization

### Diversification of content

Having access to a **broad range of content** is going to be essential to serve corporate travelers in the new world of business travel. Each traveler has a very individual attitude to risk, so the ability to offer a multitude of travel options will be important. Some will feel more confident in a small, boutique hotel or even a managed apartment, to avoid the crowded common areas, whereas others might prefer a bigger property as they consider the sanitation measures to be more industrialized and controlled. As far as transportation is concerned, air, rail or even car rental might be equal contenders for the business traveler's preference on certain routes.

An increased focus on a broader range of content to expand the business travel offering, will not only allow travel agencies to give more personalized offerings, but also serve the corporations' enhanced emphasis on true door-to-door compliant travel services and simultaneously create **new or improved revenue streams** for the travel agencies servicing them.

NDC will be a key contributor, as it enables the creation and sale of tailor-made corporate bundles with rich and highly

relevant content such as Wi-Fi, lounge access, or seat selection. Working with a variation of accommodation providers with **different business models** can allow for maximizing profits, and travel agencies can explore payment solutions that offer rebates to **improve cash flow while streamlining administrative processes**.

### Our vision towards a Travel Platform providing all the relevant content

This multimodality approach has been the guiding principle behind the Amadeus Travel Platform, which is designed to integrate any type of air content, traditional and alternative accommodation providers, cars, transfer services, insurances and payment solutions into one platform. This will offer a one-stop-shop for business travel agents to access a huge range of content more efficiently, **providing transparency** and choice to their customers, without changing platforms and compromising productivity.

## C. Technology as key enabler

Never has the travel industry needed to adapt so quickly as in the wake of COVID-19. Technology facilitated the change in working environments for individuals, companies and societies almost overnight and will continue to play a fundamental role in the path to recovery and beyond. Digitalization and leveraging new technologies can secure operational efficiency in business travel agencies as well as enhance customer servicing levels.



With travel technology at heart, we strongly believe technology and innovation will be powerful enablers of change for the business travel industry. We will need to accelerate the delivery of innovations to continue to support our customers and facilitate travel recovery and ensure business travelers can travel again safely and with a stress-less end-to-end experience. In this context, we are committed to supporting Business Travel Agencies customers by continued investments in strategic projects such as NDC, Amadeus Travel Platform, travel consultants selling interfaces, corporate self-booking tools, integration of travel safety information, dynamic supplier and yield management solutions, disruption and other innovations.”

**Stéphanie Nguyen**

Vice President, Customer Solutions Business Travel - Amadeus

Increased digitalization for

## contactless evolution

Contactless solutions are quickly gaining traction to offer business travelers both a safe and frictionless travel experience. Many industry experts <sup>(1)(2)(3)</sup> believe that the impact of the COVID-19 pandemic will **accelerate the ongoing implementation of technologies such as biometrics, voice recognition, face recognition, or mobile-enabled solutions** in a bid to rebuild traveler confidence. For example:



In Australia and New Zealand, the ground handler company OACIS (Off Airport Check In Solutions) are leveraging Amadeus' cloud technology to check in passengers and handle their bags remotely, avoiding the often crowded and congested check-in and bag drop areas in the airport.



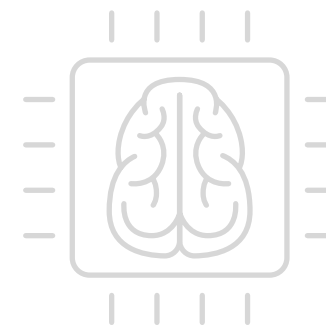
A biometrics-led innovation project with San Jose International Airport, US Customs and Border Protection and Amadeus enables boarding of passengers on international flights without the need to show any physical ID at the gate, and a similar project with Los Angeles International Airport helped Lufthansa to board an A380 in around 20 minutes.

But to really take the hassle out of travel for the business traveler, we need to truly streamline the traveler experience end-to-end, connecting ALL the dots. **This requires broad collaboration and innovative ways of sharing data** across various providers and touchpoints – in a safe way. This is the mentality and objective behind initiatives such as Amadeus' collaboration with [Journera](#), as well as the Traveler ID project.

These innovation projects aim to enhance the traveler's experience through digitalization and data sharing:

- simplify the traveler's identification throughout the entire journey thanks to a unique and certified digital identity
- deliver real-time insights to partners before, during and after a customer's trip, so that they can better anticipate and accommodate to traveler needs through disruptions and simplify the transition between air, accommodation, ground transportation and other travel providers.

## Artificial intelligence



Artificial intelligence (AI) is another technology that is expected to support the rethinking of business travel and travel in general, and why we continue investing heavily in this area. AI has the potential to be applied across the full traveler experience in many ways – including the interaction with the travel agency.

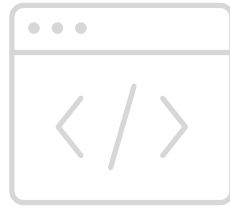
With the complexity of choices and variables that travelers will face when considering future travel, **AI can be used to simplify recommendations** based on a detailed understanding of travelers' needs and requirements. Use case tests have shown that applying machine learning in flight search to segment travelers and deliver the most relevant results to them, have generated an increase of up to 20% in bookings, as well as making the search and shop process easier for travelers. The evolution of Artificial Intelligence is changing the remit of the travel agent. A harmony between automation and AI allows travel agents to spend more time providing in-depth travel consultancy, and the **edge needed to compete** in a world of constant travel fluctuations. This is why Amadeus is investing heavily in AI in all key solutions, including our search products.

AI-powered analytics will also have a significant impact on helping airlines to minimize expensive disruptions. For example, unplanned maintenance accounts for 30% of total delay time in airports, potentially costing airlines millions in revenue. By utilizing AI, airlines can analyze the data to **help predict any future disruptions and ensure a smoother journey for passengers**.

AI and machine learning are also mature enough to bring significant improvement to customer servicing. Chatbots have the capacity to help business travel agencies **optimize their call-centers' efficiency and improve response time** to corporations and travelers when it comes to simple servicing requests. At Amadeus, this has materialized in our in-flow, multi-language speaking chatbot Amanda, who provides immediate assistance and useful tips 24/7 to the travel consultants using our Selling Platform Connect.



## Moving forward with NDC



### NDC remains a strategic priority

NDC is probably the biggest technologically driven change in travel distribution in decades. As COVID-19 hit, it was questioned whether that would be the end of NDC – or at least lead to a considerable set-back. For major industry players, including leading airlines, travel sellers and Amadeus, NDC remains a key strategic priority. NDC is therefore one of the areas where we are – despite the difficult situation – not slowing down but rather accelerating.

NDC has the capabilities of providing a whole **new travel experience**, with more personalized content, improved service offerings and swifter communication between the travel providers, the travel sellers and ultimately the travelers. In the current environment, corporate customers could value their travel agency to offer them **specially tailored bundles** such as the inclusion of lounge access, priority boarding in staggered boarding times, or extra space between them and other passengers. And the technology will enable sharing rich content, including photos and videos, showing for instance the latest information on when the plane was last deeply cleaned. So, at a time of industry renewal, NDC plays a key role to create an enhanced end-to-end travel experience, far beyond simply booking a ticket.

### Standardization is a key success factor

To benefit all, NDC standards need to evolve further in order to address the variety of **servicing flows**. But first we need to harmonize the NDC standards currently used by different airlines. Today, the industry is working with many different versions and interpretations of the NDC standard, thus creating a barrier for broader adoption at scale. Without adoption at scale, the benefits for the entire ecosystem will be fragmented and diluted – hampering the industry's ability to reap the benefits provided by NDC. As a consequence, we are investing significant time and effort collaborating with IATA, airlines and travel sellers in implementing NDC, including pushing for **more normalized NDC standards and flow convergences**. Our goal is to take care of the technology complexity to ensure business travel agencies can reap the full benefit of NDC, not only in terms of offering but for end-to-end servicing too.





## D. Industry collaboration

Collaboration is essential to Rethinking Travel. The future of travel is a shared challenge, and only by overcoming silos and working more collectively than ever before within - and beyond - the travel sector, can we together succeed in this endeavor to not only survive but come out stronger.



"In this defining moment for business travel, never have partnerships been more important. We're listening closely to our global customers and share a common goal, to emerge stronger. Rethinking travel is only the beginning, by working together we can restart our industry"

### Stéphane Durand

Senior Vice President, Global Accounts  
Business Travel, Amadeus

## One for all and all for one

The speed and success of the recovery from COVID-19 will hinge on nurturing and developing existing partnerships, as well as establishing new ones. At Amadeus, we have more than 30 years of tradition and experience **in linking all the actors of the travel ecosystem together**, from travel agencies and corporations to airlines, hotels, payment providers and transfer companies – as well as industry bodies such as IATA, UNWTO and other trade organizations. But now we will also be more than ever dependent on factors outside our control, such **as international policies and travel regulations**. Therefore, we are actively assisting regulators, governments, health organizations and other non-industry players across the globe, to help understand the effect of the crisis, and to identify and support implementation of the most effective measures for recovery.

In Europe, we have pro-actively engaged with and supported the EU Commission in their work to define a harmonized approach to find alternatives to current travel restrictions.

On the regulatory front, the European Commission continues to progress on the review of the CRS Code of Conduct and stakeholder consultation is expected by end of 2020 and early 2021 following their Inception Assessment exercise. Amadeus is contributing to this initiative with a constructive and transparent approach. We will continue to promote fair competition, transparency, and a level playing field as the key pillars to build a strong competitive EU airline ticketing distribution marketplace.

### Preparing collectively for future disruptions

One of the main operational challenges faced by travel agencies and airlines during the COVID-19 crisis was managing the massive number of ticket exchanges and refunds – many of which were processed manually as the existing systems were not adapted to support new and frequently changing airline commercial policies in an automated manner. This significantly impacted customer servicing, leaving airlines and travel agencies to consider how any similar future disruption could be managed better.

To address this, a **new collaborative initiative** has been established with Amadeus and industry bodies ATPCO and IATA to identify a more end-to-end resilient process to reduce the impact of a potential future crisis. Jointly, we are looking into a variety of initiatives, among them defining the different types of crises that we could anticipate, exploring how we ensure that all systems have the same source of information for airlines' commercial policies, and how we can ensure **full automation of transactions** at all stages – all contributing to reduce anxiety and increase trust.

## Building a more sustainable future

Beyond collaboration to solve the most imminent challenges and get the industry back on its feet, the pandemic has also spurred a more **long-term vision for industry renewal**. As a result of drastically reduced travel, we saw carbon emissions plummeting, less congestion on freeways and cleaner air space in big cities. Corporations learned quickly that digital solutions allowed them to work differently, and employees could be effective and collaborative whilst cutting costs and reducing carbon footprint. Despite this, travel is still essential. Face-to-face interactions with customers and business partners are still a vital aspect of conducting business, building relationships, and supporting knowledge sharing. We have been given an unprecedented opportunity to rethink the way we travel in a way that is **more sustainable, more responsible** and addresses some of the environmental and social concerns.

A **survey** from Publicis Sapient performed in April 2020, found out that 58% of people are thinking even more about the environment and social sustainability than before the crisis.

Overall, more and more companies are developing **strong CSR programs**, and it is definitely a clear commitment from Amadeus. In 2019, Amadeus was included on Dow Jones Sustainability Index for the eighth consecutive year, and we will continue to support sustainability initiatives in the travel industry to shape the future of a better journey together with our partners.

ReHo Travel in Australia, one of Amadeus key corporate travel partners, has developed a complete business model on this mindset, and says

“We would like to see an industry where customers are choosing an airline for its low fuel consumption and a hotel in the developing world for its labor practices, and then book them all with a travel agency that steers them toward suppliers that have a positive impact on the world. And if our customers do not address those questions in their RFPs, we will.”

ReHo Travel is a certified B Corporation, which is a global certification given to companies that use business as a force of good, meeting the highest standards of social and environmental performance, public transparency, and legal accountability to balance profit and purpose. The evaluation process impacts all aspects of their business including the products they purchase and the suppliers they choose.



## Conclusion

Surviving the immediate effect of the global pandemic has been the main priority for business travel executives. While challenges remain, we must also focus on defining a strategy to recover from the crisis and emerge even stronger. We need to continue to identify key areas where we can unlock the barriers to safe and stress-less travel, create great end-to-end travel experiences and restore travel agency profitability

while continuing to strengthen the value proposition. This means mobilizing talent, expertise, industry networks as well as technology and innovation resources to provide creative solutions, inside and outside the travel ecosystem.

Key to success will be to focus on travelers, nurture partnerships, be open, act fast, and think long term.

Now is the time to work together to Reboot, Recharge, Rethink **Business Travel.**





## III. Appendix: regional takeaways

### A. Europe, Middle East and Africa

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In EMEA, I'm thankful that 45 top executives from our customers took the time to share valuable insights on the current situation and the changes we can expect moving forward. When change occurs, we also see opportunities for our BTAs in the region, some are expanding to new verticals, others are reshuffling their operations to find new sources of revenue. Getting the views of our customers on the new travel experience is key to both our decision-making process and to start re-thinking and re-building business travel together”.



**Bernhard Steffens**

Senior Vice President,  
Business Travel NECSE and WEMEA, Amadeus

In this region of the world, there is a stronger consensus that leisure will recover first versus the worldwide figure (67% vs 49%). In Western Europe, Middle East and Africa (WEMEA), SMEs are foreseen as the fastest industry actors to recover, followed by the Marine industry. Northern, Eastern, Central and Southern Europe (NECSE), agree SMEs will recover first, but feel large corporations/multinationals and the companies evolving in the energy sector will be second to recover.

Health is the key driver for recovery throughout the region, just like for the rest of the world. In WEMEA, **travel budget availability appears to come out stronger** (56%) than for the other regions, except for the Americas, who flagged it as the second factor driving the recovery. In NECSE, transportation availability/capacity/reliability gets the highest score (42%) compared to both the worldwide and all other regions' results.

In terms of the evolution of the business travel industry in EMEA, the **demand for beyond-air content in cars and trains is much stronger** than in any other region, 89% versus 66% on average worldwide. Whether this demand for beyond-air content is temporary, driven by the current climate, or a long-term shift as business travelers seek more sustainable and secure way of traveling, only time will tell. In regions such as Scandinavia, the trend towards increasing demand for rail started

before COVID-19, with the 'fly shame' phenomenon, and this trend is further accelerated by the current crisis.

*“Recently, we have experienced a growing demand for rail content, for both European and domestic travels. This is of course partly due to the COVID-19 pandemic, but not only; our customers want to be more sustainable travelers and are seeking greener alternatives to flights”,* says Petter Brodahl, Executive Vice President, Partner Relations and Operations at Berg Hansen in Norway.

WEMEA is one of the regions that **also foresees the most consolidation** (61% versus 38% worldwide) and a significant decrease in face-to-face MICE. Compared with the rest of the world (89% versus 51% worldwide), **this region expects that managed travel will increase drastically** versus unmanaged travel, as duty of care becomes increasingly important.

In WEMEA, while 79% of respondents are opting for a cost optimization strategy, the **consolidation/expansion/acquisition strategy** is seen as the top strategy in the mid-term to accelerate recovery and increase relevance, especially when compared with the rest of the world (83% versus 48% worldwide). 46% of those who are opting for this strategy believe acquisitions are the way to successfully achieve it.

## B. Americas

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Although the impact of the pandemic has been unlike anything we've ever seen before, the North America region is benefiting from a strong domestic market and a large energy sector, that are already showing positive recovery trends. And that is reflected in the region's optimism that recovery could occur as soon as next year. We have already begun to see a transformation in business travel with the health and safety of the traveler becoming the primary consideration for corporate travel policy. And the role of technology also appears poised to increase, particularly pre and post-trip, with growing interest in enhanced pre-trip approval processes and further streamlining, or even eliminating the need for, expense reports.”



**Mike Kerrigan**

Acting Head of Business Travel North America, Amadeus

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Our customers in Latin America tell us that the coming changes in business travel will lead to new ways to better serve corporations and their travelers – for example, by providing more comprehensive safety and risk information and fully integrating it so that it can be easily accessed and utilized. It is clear that traveler health will become a paramount concern in the next normal. But there will be other opportunities as well, such as broadening the offers provided to corporate travelers with expanded content such as hotel, car, insurance and even NDC.”



**Victoria Gorzio**

Head of Business Travel Latin America, Amadeus



In the Americas, **business travel agencies are more optimistic** regarding the time it will take for travel to resume: 33% believe it will accelerate in the second half of 2021, compared to the global figure of 46% predicting that more significant recovery will happen in 2023. This region also strongly believes (67% compared to 49% worldwide) leisure is driving this recovery. In the business travel sector, respondents from the Americas foresee a faster recovery for the energy sector, and a slower one for SME, compared to the global average.

**Travel budget availability is seen as the second most important driver of recovery** in the Americas region (75%), after health, a much stronger factor compared to the rest of the world (35%).

In terms of evolution for the travel industry, Americas-based interviewees see a **higher demand for hotel and insurance than the global average** (respectively 50% vs 33% and 42% vs 22%) and are convinced (compared to the rest of the world), that the MICE business will be deeply impacted.

If we look at what will influence the behavior of the business traveler, this region has been much more vocal in ranking trust and safety as the main driver (83% vs 64% worldwide). The same goes for the evolution in corporations' needs and expectations: duty of care/risk management, travel policy and travel spend reduction scores all exceed the global average. Americas C-level executives also believe more strongly **that corporations will be looking for more business intelligence**.

Even if the majority of the respondents in the Americas agree with the global perspective that **cost optimization will be the primary strategy to accelerate recovery**, it is interesting to highlight that two other strategies have been ranked much higher in that region than in the rest of the world: integration of risk and safety data pre and post-booking (50% vs 28%) and access to more or new types of content (58% vs 23%). It is clearly correlated to the previous findings regarding the new beyond-air content trends mentioned above.



## C. Asia Pacific

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In APAC, we are committed to working together with our customers, partners and the wider industry to rethink travel, ultimately ensuring it continues to be a key driver of global progress, positivity and prosperity. For our customers, technology is providing the opportunity to evolve at a pace that was never possible just a few years ago. Flexible, scalable and cloud-enabled tools coupled with agile working practices allow companies to develop new innovations quickly to meet the new demands placed on them due to the pandemic. Data-led artificial intelligence and machine learning can speed up operational and commercial readiness at an unprecedented pace. Recovery will come. Rethinking travel is the first step.”



**Renaud Nicolle**

Senior Vice President, Business Travel APAC, Amadeus

In Asia Pacific, **our interviewees seem more optimistic that business travel will resume first** (38%) or at the same pace as leisure (47%).

While the majority of executives across the globe agree that the marine industry will be quicker to resume business travel, it is voiced much stronger in this region than in the rest of the world (70% vs 51%).

In terms of how business travel will likely evolve, interviewees see a growing demand for hotels and insurance content primarily, followed by car rentals and new types of content, similar to the Americas. **But the most voted evolution is the shift from unmanaged to managed travel**, as there is an increased need for information to help navigate the pandemic, such as quarantine requirements, schedule changes and route management tied to the introduction of travel bubbles.

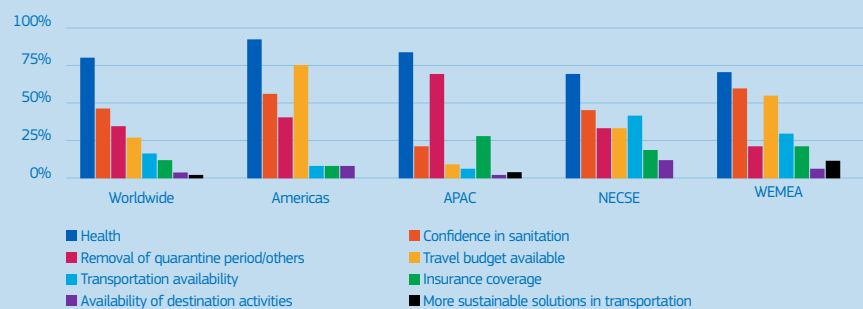
When asked what factors would drive the return in demand of business travel, the majority interviewed felt the factors were beyond TMCs control, apart from relaying important information and educating travelers. The majority of leaders see the **removal of mandatory quarantine periods as key to bringing back demand**.

For corporations, price will be less important with duty of care, route management and traveler safety taking precedence. Corporations are opting for larger brands as they felt safety standards would be more robust and better regulated, a trend that has been observed for the whole travel ecosystem.

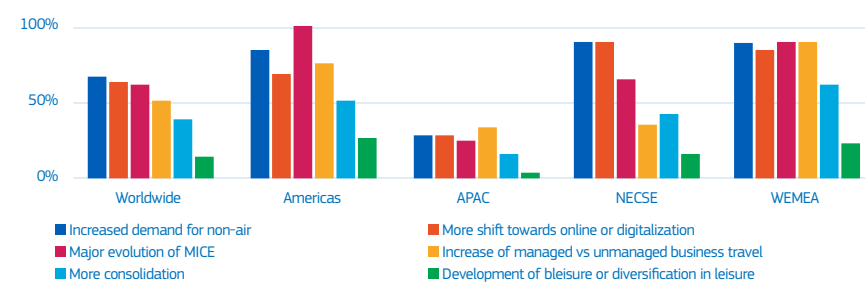
When it comes to what could influence corporations' needs and expectations, even if the region ranked duty of care/risk management as the main factor, like the rest of the world, only 24% believe Travel Policies will play a role versus 48% on global average.

In order to recover, the strategy for the top executives in this region is clear: **cost optimization (64%) with a focus on operational optimization using automation and digitalization**. This is followed closely by team upskilling, so that all employees can be clear on their potential updated roles, utilizing the new operational optimization capabilities put in place.

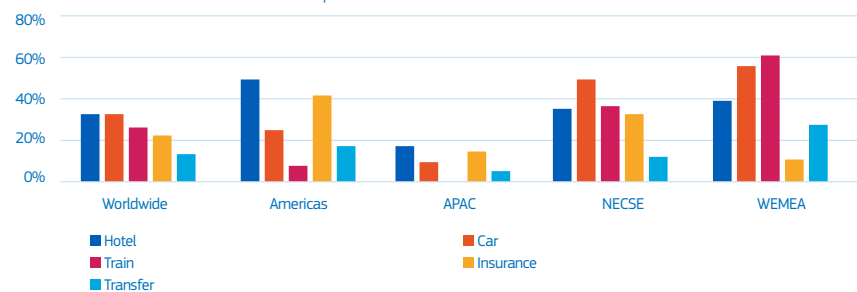
Factors to drive return to Business Travel demand



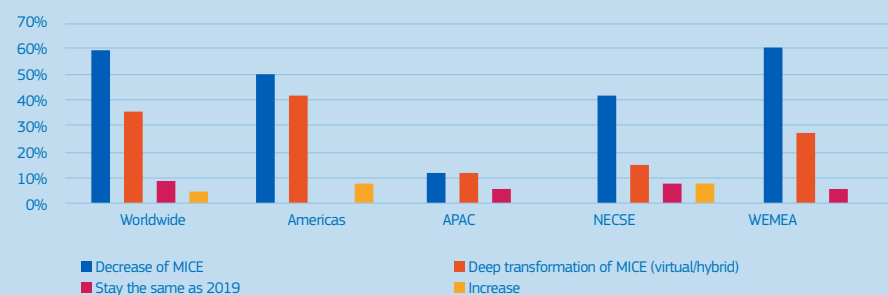
Evolution of the Business Travel industry



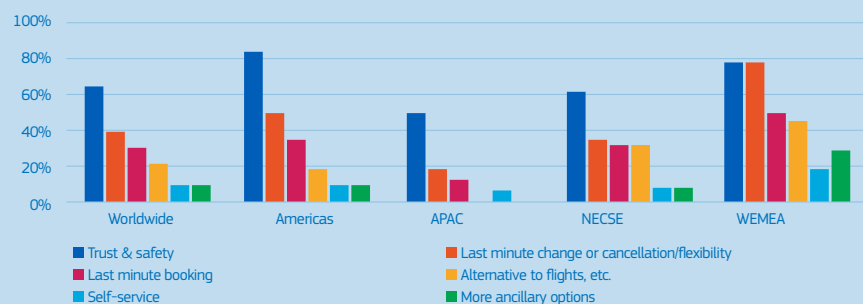
Areas of potential increased demand for non-air



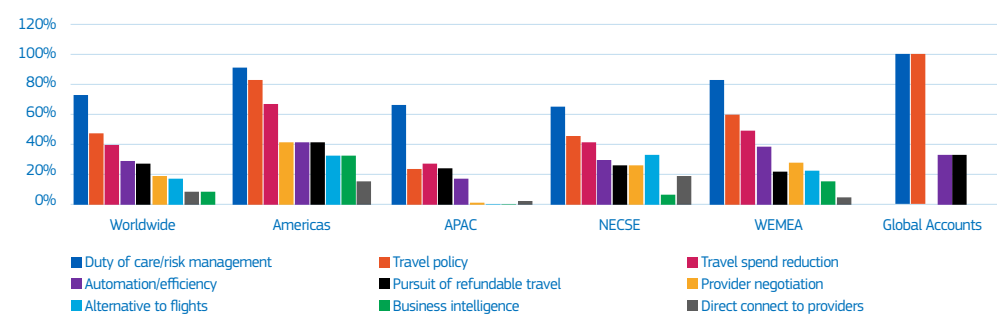
Evolution &amp; transformation of MICE



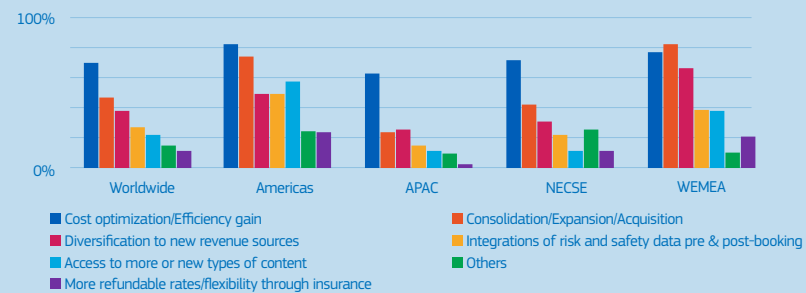
Evolution of the Business Traveler's behavior and sentiments



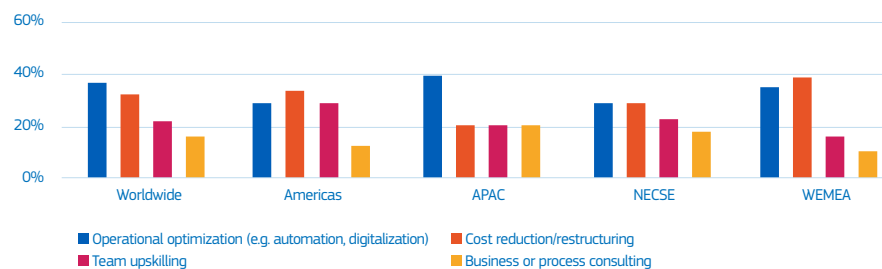
Evolution of Corporations' needs and expectations



### Business Travel Agencies mid-term strategy to accelerate recovery and increase relevance



### Levers to optimize costs or enhance efficiency



### Expansion/Acquisition/Consolidation areas that would help Business Travel Agencies

