

5 business travel trends in 2020

Despite a weak currency and an economy under pressure, 2019 has been a record year for business travel in South Africa. Instead of cutting back on business travel, companies focused on finding smart ways to reduce their spend with the help of travel professionals.



Andrew Grunewald

Andrew Grunewald, Flight Centre Business travel brand leader, explains that he foresees that the corporate travel market will continue to grow in South Africa in the year ahead.

He shares his view on the main trends to expect in this space for 2020:

1. An increased focus on personalisation

“Personalised service will be a key trend in 2020,” says Grunewald. Merely using a traveller's first name in the subject line of a generic e-mail campaign is no longer enough. Modern travellers expect more: they want a streamlined, seamless and personalised experience.

Also, companies will increasingly look for specialised travel managers who know the business inside and out and who can make personalised recommendations that will help grow the company.

2. Consolidation of travel spend

“Even though we don’t foresee a considerable increase in prices for accommodation or air travel, corporate travel budgets will be under pressure in 2020, and the consolidation of spend will become increasingly important for travel managers,” explains Grunewald.

Whereas in previous years, clients would often use two or three corporate travel agents and have their travel spend split across different agents, they are now opting to consolidate this spend with just one agent, leveraging off corporate agreements and global buying power. Says Grunewald: “With a more holistic view of the company’s travel spend, it becomes easier to drive savings through consolidated yields and discounts instead of looking at the lowest prices for small personal expenditures.”

3. Clever use of analysing your travel trend and spend to make strategic decisions

Companies will rely on their travel specialist to collect and interpret relevant travel data. Grunewald explains that over the years, travel consultants have become strategic advisors who can give companies insights on where they can consolidate their spend and how to identify and address gaps in the travel programme.

In 2020, this role will be further developed, he says. By analysing the budget and using the right data to investigate a company's travel spend, travel management companies (TMCs) will have a unique opportunity to help companies drive intelligent savings.

4. Bleisure will continue to flourish

A popular buzzword in 2019, bleisure is the conscious decision by business travellers to add days of leisure travel onto a business trip. The concept has proven to be more than just a fad and is likely to be just as popular – if not more – in 2020.

The second annual 'State of Business Travel Survey' by National Car Rental shows that 90% of millennials have engaged in bleisure travel in the past year compared with 81% of Generation Xers and 80% of baby boomers.

Grunewald comments: "Besides the distinct advantages for the traveller, bleisure travel also has benefits for companies. If the traveller decides to arrive a few days early to explore the destination ahead of their meeting, they will be better rested and be able to make a better impression on the client. Meanwhile, if the business traveller chooses to prolong their stay, they will be incentivised to work more productively and efficiently."

5. Growth in the SMME market

2020 will see massive growth in the SMME market in South Africa, according to Grunewald. SMMEs have the potential to drive economic growth and employment in South Africa, as indicated by President Ramaphosa himself. This, in turn, provides opportunities for TMCs with a focus on this market and who can actively help SMEs grow their business through smarter business travel.

"It's an exciting time for SME business travel, and now, more than ever before, the travel industry is equipped to meet the demand for flexibility that entrepreneurs and SME's need to achieve business success," he says.

Combined, all these trends reflect one thing, says Grunewald: although the economic climate will continue to be challenging in 2020, it will be an exciting year for the corporate travel space. The travel industry will continue to adapt and innovate to improve the quality of business trips for travellers.

For more, visit: <https://www.bizcommunity.com>