



# THE BALANCING ACT

Corporate travel managers strive to align traveler productivity needs with corporate budgetary goals when sourcing preferred hotel partners.

## > EXECUTIVE SUMMARY

Balancing productivity with personal time can be a challenge for all business travelers. It is an equal challenge for every corporate travel manager seeking to optimize travel spend and support business goals, all while providing travel policies that are realistic for the traveler. Last summer, midscale hotel brand Country Inns & Suites By Carlson commissioned the “Today’s Business Traveler Survey” designed to gain insights into the work-life issues of frequent business travelers and into the hotel features and services that keep them productive while on the road.

### HIGHLIGHTS OF “TODAY’S BUSINESS TRAVELER SURVEY” INCLUDE:

- 45 percent of business travelers surveyed took between 6 and 25 trips in the last 12 months.
- 51 percent of travelers surveyed felt their productivity levels stayed constant or improved when on the road compared to when in the office.
- 78 percent of travelers said that a hotel with a comfortable working environment enhances productivity, and, as a group, business travelers showed consensus about what hotel features held significant productivity benefits.
- The number-one sacrifice that business travelers make is spending personal time away from family and friends, making work-life balance critical to a good corporate travel policy/program.

As a follow up to the traveler survey, Country Inns & Suites partnered with the Business Travel News Group in November to field a companion survey to corporate travel managers, “Today’s Travel Manager Survey,” to gauge what features and amenities they look for when sourcing preferred hotels for their managed travelers. The survey also explored what allowances (if any) were included in travel policy to help travelers achieve work-life balance. In this paper, we review these practices and compare them with results from the business traveler survey to show how well these two groups are aligned—and explore how this alignment could be improved.



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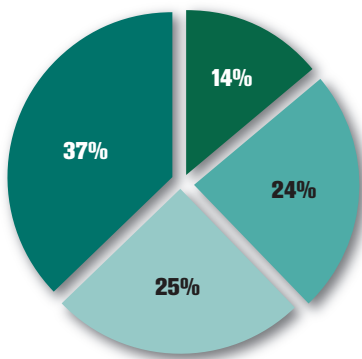
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> SUPPORTING TRAVELER PRODUCTIVITY

For business travelers, travel itself is a means to an end—making the sale, training the staff or client, negotiating a business deal... whatever the goal may be. Staying productive while on the road is a critical issue for travelers and travel managers. To this end, travelers continue to demand products, technologies and services while on the road, and travel managers work hard to deliver these within comprehensive corporate travel programs.

**TODAY'S BUSINESS TRAVELER:  
Productivity by the Numbers**



*How would you compare your productivity levels on the road to your productivity levels in the office?*

- Same productivity regardless of location
- More productive when I'm in the office
- Depends on the location where I'm traveling
- More productive when I'm on the road

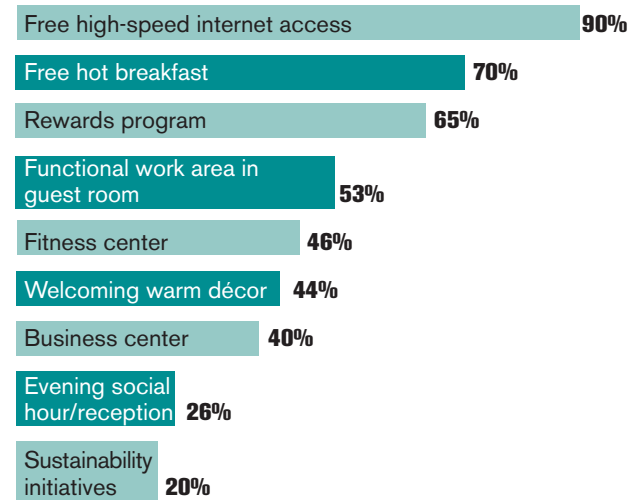
For more than half of business travelers surveyed, the efforts are paying off. According to the “Today’s Business Traveler Survey,” 37 percent of business travelers feel they are as productive on the road as they are in the office, while 14 percent feel even more productive when traveling. Forty-nine percent of respondents, however, were less confident about their ability to remain productive on the road.

While many factors converge on a business trip to influence traveler productivity, the “Today’s Business Traveler Survey” showed that hotel choice is a major consideration. More than 82 percent of business travelers indicated that they choose their hotel accommodations based on the business amenities provided. A full 90 percent identified free high-speed internet access as a critical feature,

while 53 percent required a functional work area in the guest room and 40 percent wanted an onsite business center at their hotel.

**TODAY'S BUSINESS TRAVELER:  
Top Hotel Features**

*Which of the following hotel features and amenities are important to you?*



*Note: Responses add to more than 100 percent, as travelers were allowed more than one choice*

Are travel managers sourcing the right hotels and services to support traveler productivity? To a large extent, they are...

> HOTEL TYPES & FEATURES

The BTN Group’s “Today’s Travel Manager Survey” shed light on the similarities and differences between what travelers say they require from a hotel property in order to maintain productivity on the road and what corporations are looking for in preferred properties for their travel programs.

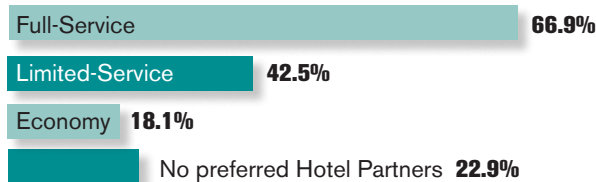
In the wake of two economic downturns since 2001, a migration to the use of limited-service properties has been a significant trend for many companies, and many of these brands have upgraded their amenities and services to compete in the business travel arena. Still, survey responses showed



that full-service hotel properties remain the most frequently tapped product for corporate travel programs.

**TODAY'S TRAVEL MANAGER:  
Preferred Hotel Types**

*With which of the following hotel types does your company have preferred relationships?*



*Note: Responses add to more than 100 percent, as travelers were allowed more than one choice*

Nearly 67 percent of surveyed travel managers said their companies had preferred contracts with full-service hotels, whereas 42.5 percent were working closely with limited-service properties. Interestingly, nearly 23 percent had no preferred relationships with hotels—but that number tracked with those companies that reported lower travel spend overall.

Despite the preference for full-service hotels, travel managers responding to the “Today’s Travel Manager Survey” revealed that they look for many of the same characteristics in both hotel categories. The top five features for both limited- and full-service properties were identical in ranking, with rate/percent discount leading the field.

This was closely followed by free internet access at both limited-service and full-service properties. Free high-speed internet access was also noted as important by 90 percent of the respondents to the “Today’s Business Traveler Survey,” coming in as the single most important hotel feature or amenity and a clear necessity for business travelers. While most limited-service hotels provide free high-speed internet to guests in their rooms and public spaces as a matter of course, the probability of

gaining such a price concession from a full-service hotel depends largely upon a travel manager’s negotiating ability and may dilute negotiating leverage for other value adds.

**TODAY'S TRAVEL MANAGER:  
Top 10 Hotel Features**

*On a scale of 1-5 (1 = most critical, 5 = least critical), which of the following features do you look for in a preferred hotel partner?*

LIMITED SERVICE	LEVEL OF IMPORTANCE
FULL SERVICE	
1. Rate/percent discount	1.40
1. Rate/percent discount	1.46
2. Free internet access	1.74
2. Free internet access	1.67
3. Overall service levels	2.06
3. Overall service levels	1.86
4. Full breakfast included in rate	2.13
4. Full breakfast included in rate	2.02
5. Business center	2.38
5. Business center	2.20
6. Recent renovation	2.51
6. Restaurant onsite	2.21
7. Size or type of room	2.64
7. Size or type of room	2.29
8. Fitness center	2.64
8. Recent Renovation	2.40
9. Proximity to offsite dining/ent/rec	2.65
9. Fitness center	2.44
10. Restaurant onsite	2.69
10. Proximity to offsite dining/ent/rec	2.55

Third in the rankings was overall service levels, showing that travel managers still value the rate over service in a sluggish economy, and a free breakfast (coming in fourth) adds more value to the stay for both the traveler and the company. Rounding out the top five is the availability of a business center to address computing and printing services that are rarely accessed via the guest rooms.

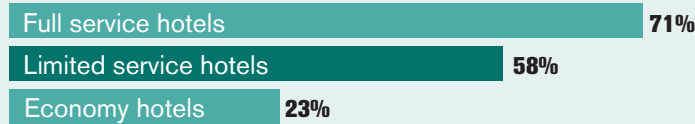
The most notable difference in rankings was the relative importance for limited-service properties that had undergone a recent renovation. Coming in



**TRAVELER PERSPECTIVE: LOOKING FOR VALUE**

More than half (53 percent) of the business traveler respondents to Country Inns & Suites “Today’s Business Traveler Survey” this summer rarely or never spent more than \$150 per night on a hotel when traveling on business. According to *Business Travel News*’ 2011 Corporate Travel Index, however, the average daily rate for a limited-service or “midscale” hotel in major business hubs, such as Boston, Chicago and New York and San Francisco, pushed these budgets to their limits. Travelers’ overall usage of hotel types showed clear alignment with the types of hotel partners travel managers include in their programs—and underscored the ongoing trend of shifting hotel share to limited-service partners.

*When traveling for business, what types of accommodations do you typically choose?*



*Note: Responses add to more than 100 percent, as travelers were allowed more than one choice*

at no. 6 for limited-service compared to no. 8 for full-service properties, this could be a signal that travel managers are looking for limited-service partners that are on-board with recent travel management trends and have enhanced their offerings accordingly in the last couple of years—with such necessities as larger work areas, ergonomic chairs, wireless internet capability, more comfortable beds and the home-like atmosphere that is characteristic of several refreshed limited-service brands.

While travel managers and travelers agree that free high-speed internet access and a free hot breakfast are two critical elements of a hotel stay when on a business trip, the importance of the rewards program—ranked third for travelers—did not make the traveler managers’ top 10. Rewards programs ranked 11<sup>th</sup> out of 13 total features possible

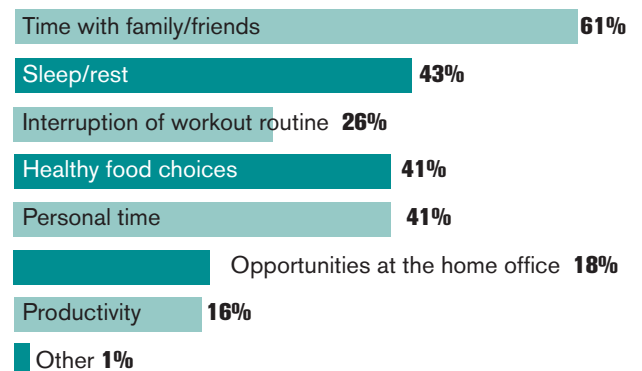
for limited-service properties and 12<sup>th</sup> for full-service properties. The relative importance of rewards programs is a long-standing gap between travelers, looking for some personal benefits from business travel, and cost-conscious travel managers, who want travelers to accept the lowest logical rate for a quality hotel without regard to the rewards program.

**> THE BIGGEST LOSER: PERSONAL TIME**

In analyzing survey responses from travelers and travel managers, the numbers indicate that many companies have a good track record when it comes to sourcing the right hotel partners and required features to support productivity. As business travel continues to increase as the economy exits the recent downturn, however, travelers report a significant erosion of personal time—particularly time spent with family and friends. The surveys also showed that this is an area where traveler perception departed drastically from that of travel managers in how well companies are supporting their needs.

**TODAY’S BUSINESS TRAVELER: Business Traveler Trade-Offs**

*As a business traveler, what are the biggest sacrifices you make when you are on the road?*



*Note: Responses add to more than 100 percent, as travelers were allowed more than one choice*

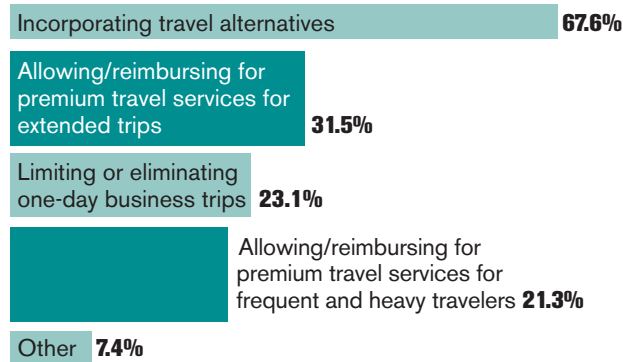
Only 50 percent of respondents to the “Today’s Business Traveler” survey indicated that work-life



balance was a consideration in their company’s travel policy, while more than 93 percent of travel managers said their company’s travel policy incorporates this concept and makes allowances for it. Moreover, 69 percent of travel managers indicated that work-life balance was considered an “important” or “very important” aspect of their policy.

**TODAY’S TRAVEL MANAGER:  
In Support of Balance**

*What provisions does your company make within travel policy to support work/life balance?*



*Note: Responses add to more than 100 percent, as travelers were allowed more than one choice*

Delineating the allowances made in policy for work-life balance, travel managers cited limiting or doing away with one-day business trips and allowing heavy and frequent travelers—or those on extended business trips—access to premium travel services so that they are more comfortable with the lifestyle concessions often required for road warriors. The most significant accommodation for work-life balance within the travel program was the increased availability of travel alternatives for potential travelers who can make a case that a virtual meeting can achieve the same business goals as an in-person meeting. While many companies originally implemented virtual meetings as a cost-cutting measure, the work-life balance issue continues to make them an important element of many corporate travel programs.

**> UNDERSTANDING & MEETING TRAVELER NEEDS**

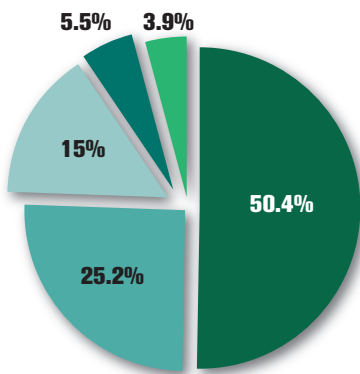
While the “Today’s Business Traveler Survey” showed that many travelers were aware of their companies’ enhanced service allowances for frequent travelers and those away on extended trips, awareness of travel alternatives was much lower. Just half of business travelers acknowledged that their companies provided these virtual travel technologies—compared to the nearly 68 percent of travel managers who said their companies offered this option.

This indicates a communication gap between travel managers and their travelers—and one that should clearly be addressed to mitigate, when possible, the time employees spend away from their families and friends due to business trips. Many companies use their online booking tool for this purpose, configuring their tools to alert travelers who begin to book one-day or other short trips that a virtual option is available. Corporate emails, intranet sites and newsletters are other popular communications vehicles that travel managers should be using to get the word out about work-life balance measures for busy travelers.

Among “Today’s Travel Manager Survey” respondents, more than 82 percent utilize email to communicate with their travelers about hotel preferences, while nearly 23 percent engage their travelers in formalized surveys to gauge satisfaction with preferred hotel partners. A handful of companies are using internal or public social media sites to gather information about their preferred hotel partners, though most travel managers keep communications on travel policy and partners behind the corporate firewall on internal intranet sites. A few travel managers also revealed that their corporate online booking tools provided travelers with a feedback mechanism for suppliers and that they utilized this functionality to keep their eye on satisfaction levels among their traveling community.



**TODAY'S TRAVEL MANAGER:  
Acting on the Information**



*How would you rate your company's track record of making changes to the hotel policy/preferred property selection based on traveler feedback?*

- Excellent-it is formalized
- Good-not formalized but responsive
- Average-when we can
- Below average-infrequent
- Poor-never happens

The next step to improving traveler satisfaction rates is, of course, to implement changes based on the feedback that is gathered. On that count, the “Today’s Travel Manager Survey” asked travel managers to rate their responsiveness to traveler suggestions. For 15 percent of respondents, the implementation process is formalized, ensuring that traveler communications are considered and acted upon. Slightly more than 50 percent of respondents felt that they did a good job of responding to traveler feedback, but did not have a formalized process in place. And just over 25 percent of travel managers revealed that they considered traveler feedback “when we can” but characterized their responsiveness as “average”—showing room for improvement.

Alignment between traveler productivity requirements and the features and services travelers and travel managers are looking for in preferred hotels partners is clearly achievable, but it doesn’t happen without effort. It takes a commitment to communication between travelers and travel managers—and a willingness to implement changes based on traveler feedback.

Such changes to preferred hotel partners, when necessary, serve not only to increase the potential

productivity of the business traveler, but also their overall satisfaction with the travel experience—ultimately leading to increased compliance with corporate managed travel policy.

**ABOUT THE SPONSOR**

Country Inns & Suites By Carlson<sup>SM</sup> is a leading limited-service brand known for providing a caring, consistent and comfortable hospitality experience. The brand currently operates more than 500 hotels throughout the world, with plans to expand by an additional 250 properties globally by 2015, primarily in the U.S., Canada, Mexico and India. For more information about working with Country Inns & Suites in a managed travel program, go to [www.countryinns.com](http://www.countryinns.com) or call (800) 600-7275.

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