

American Express®

Business on the move

Business travel trends in Western Europe are forecast to change amid the continent's competing economic winds, blowing hot from the high growth markets and a little cooler from economies closer to home

Ups and downs of global business travel

Facing an uncertain economic environment in Europe, it is hardly surprising that European business travel budgets are under downward pressure as organisations pay closer attention to costs. Yet this has not had a similarly negative impact on the overall level of travel being undertaken. In fact, most business executives report increased levels of travel today when compared with three years ago, achieved in part through smarter, more cost-conscious, travel.

The volatile outlook at home is likewise shifting the destinations of where Western European executives are going on business. Travel within Western Europe is still the dominant destination, rated as the most frequent destination by two thirds of executives, but it is trending downwards. Meanwhile the BRIC countries of Brazil, Russia, India and China are increasing in popularity, rising above mature markets such as North America.



This changing outlook for European business travel is highlighted by a new American Express report called **Business on the move: How globalisation is changing the travel plans of European executives**. The report, written by the Economist Intelligence Unit, looks at how the economic downturn has affected corporate travel at businesses headquartered in Western Europe, and how global business and economic trends are set to transform business travel in the future.

Looking ahead, European business travel has plenty of space to improve. Business trips often fail to meet objectives, partly due to the testing economic environment, partly due to the uncertain objectives set out before departure. New technology is making business travel more efficient but by no means obsolete. For now, the environmental impact of travel is of little concern to frequent flying business executives.

Ultimately, though, business travel will continue to be important whatever the destination and whatever the prevailing economic conditions. This is because the vast majority of executives see a crucial link between business travel and business success – over 80% of executives consider business travel to be 'critical' to company competitiveness, sales and customer retention.

Methodology & respondent profile

The Economist Intelligence Unit conducted a survey of 318 senior executives based in Western Europe and representing 24 industries. Close to half of these executives are CEOs, CFOs or other members of the C-suite, and more than half are from Germany, UK and France – Western Europe's biggest travel markets. The survey was supplemented by interviews with executives and analysts, as well as secondary research.

More information

If you would like to learn more about these findings, please contact your American Express representative. To register for future insights and download this Report, go to: business.americanexpress.co.uk/insights

Written by

The
Economist

Intelligence
Unit

Ups and Downs of Global Business Travel

The Economist Intelligence Unit surveyed over 300 frequent flying executives from across Western Europe about their global business travel

Returns on travel

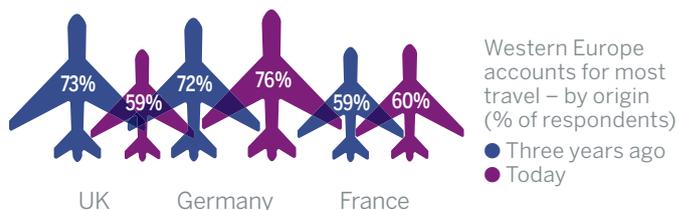


Yet only **1 in 5** business trips are certain to achieve objectives

Local travel falling



Western Europe is the **most frequent destination** for nearly two thirds of Western European business executives – yet this level is down compared with three years ago (70%)



Seeing more with less

Three quarters of business travellers are travelling more or at least the same as three years ago...



Level of business travel is up or unchanged – by origin (% of respondents)

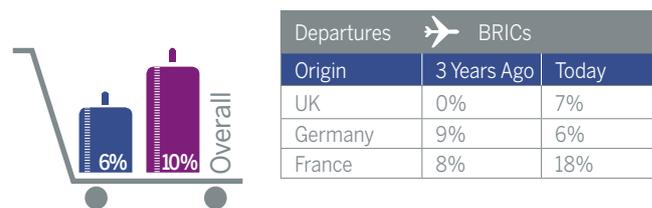
...yet half of executives report lower travel budgets in recent times



Travel budgets are smaller in recent times – by origin (% of respondents)

Emerging markets mature

Business travel to China has tripled in the last three years, making BRIC countries the most frequent destination for one in ten Western European executives...



BRICs countries are most frequent destination (% of respondents) ● Three years ago ● Today

... pushing travel to the BRICs above North America, which has remained steady as the most frequent destination for 8% of Western European executives



North America is most frequent destination (% of respondents) ● Three years ago ● Today

The Economist Intelligence Unit conducted a survey of 318 senior executives based in Western Europe between October and December 2012.

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