

PAYMENT & EXPENSE: TRAVEL BUYERS SPEAK

BY BCD TRAVEL RESEARCH & INNOVATION

ABOUT THE SURVEY

Goal: With this survey we aimed to explore the role of payment & expense in a travel program looking at the current pain points and future trends.

Methodology: The results are based on an online survey of 106 travel buyers conducted from Oct. 12 to Oct. 26, 2021.

Respondent profile:



Travel program type: Global 73%, regional 19%, local 7%.



Regions: North America 40%; Europe, Middle East, Africa 34%; Latin America 20%; Asia-Pacific 6%.



Industries Top-three: Health & Pharmaceutical 18%, Manufacturing 17%, Financial services 12%.



Number of employees: 75% have more than 5,000 employees.

Agenda

Travel program priorities

Payment & Expense priorities

Challenges of collaboration with Finance

Finance's role in travel

Forms of payment used to settle travel costs

Payment setup and administration pain points

Expense reconciliation pain points

Payment data integration into expense system

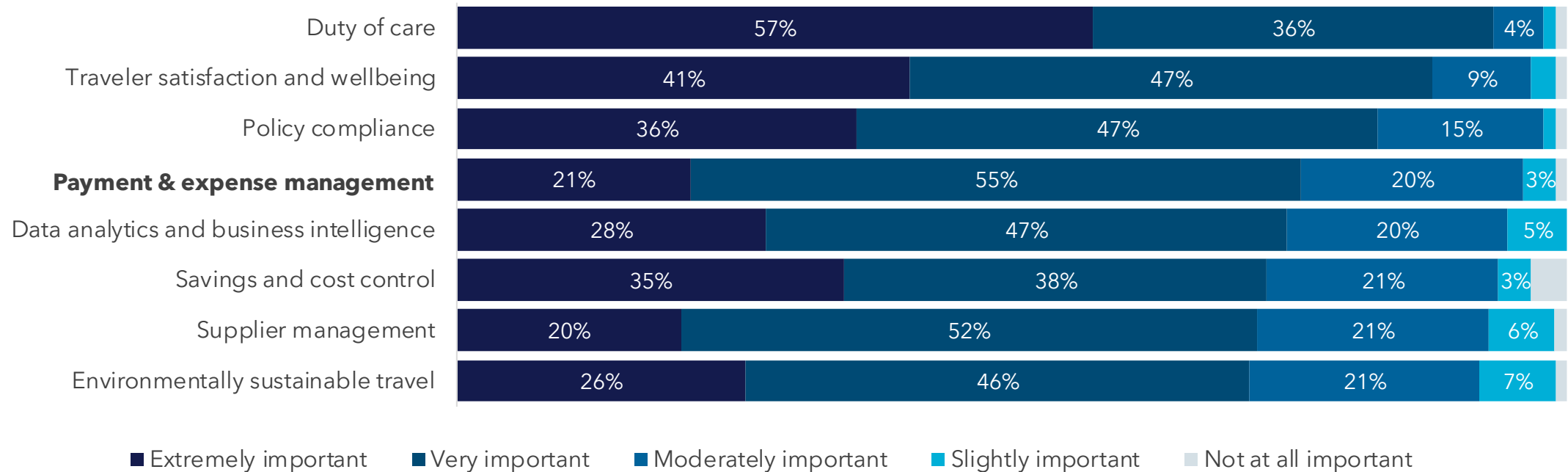
Total trip cost

Payment & Expense trends

Frequency of use of payment methods in the future

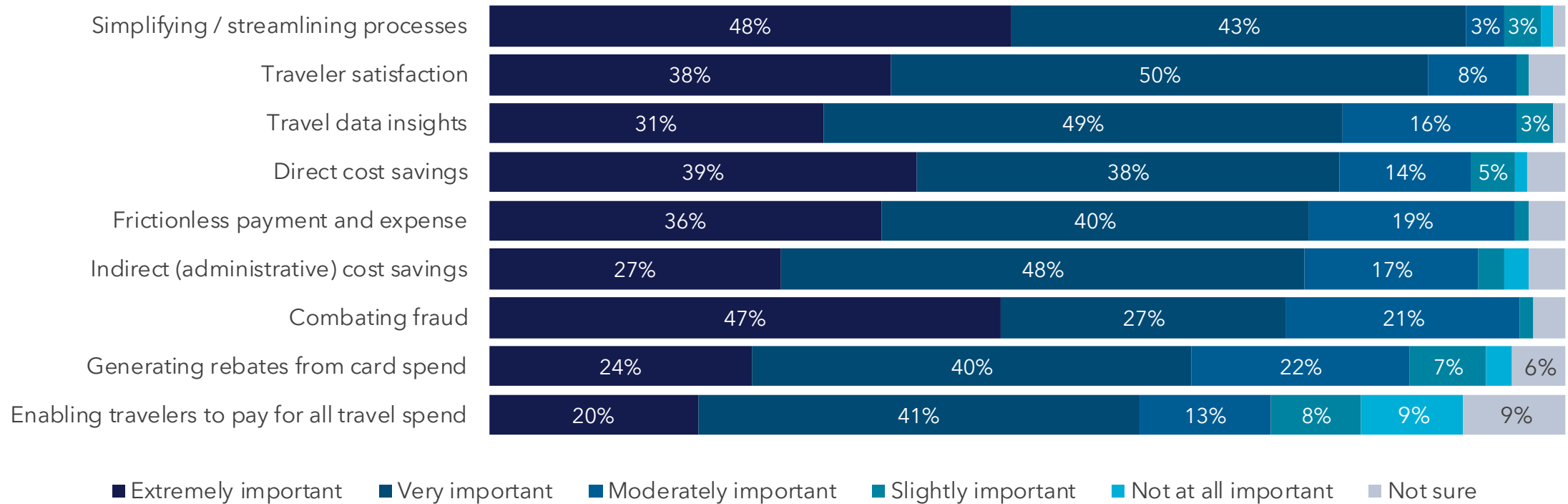
Travel program priorities

Among program priorities, three quarters of travel buyers consider payment & expense management extremely or very important.



Payment & Expense priorities

Simplifying processes and satisfying travelers rank high on the list of payment & expense priorities. Additionally, combating fraud is considered extremely important by almost a half of travel buyers.



Top three payment & expense stakeholders

1. FINANCE



2. TRAVEL MANAGEMENT



3. PROCUREMENT



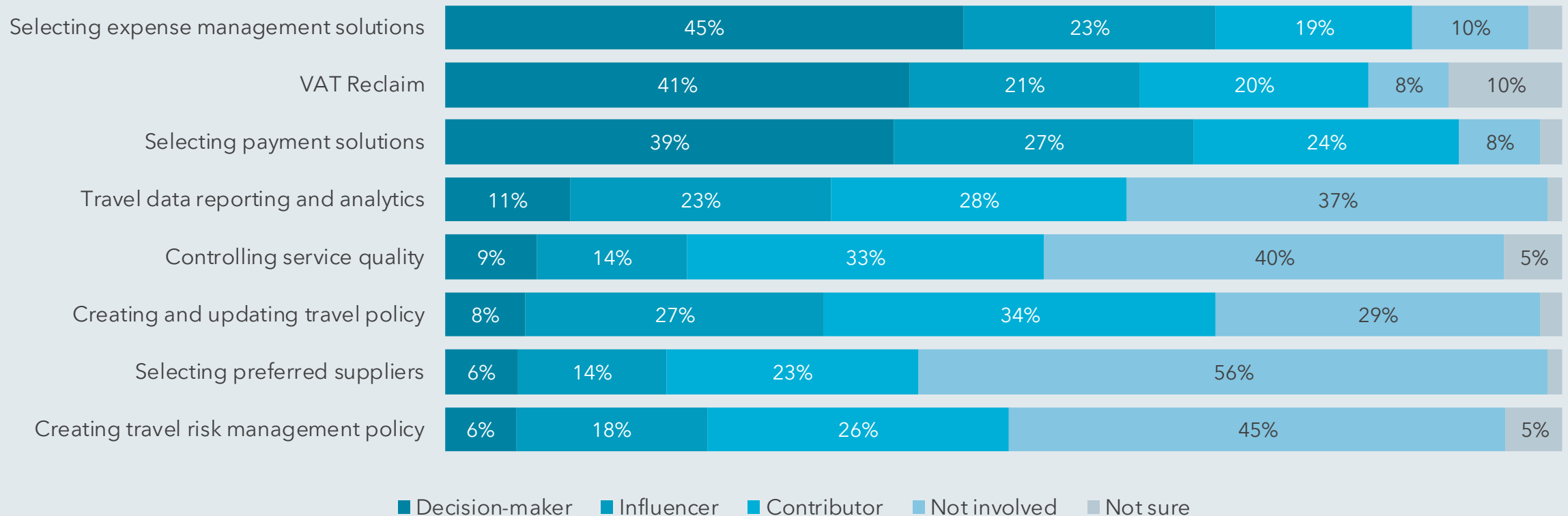
Challenges of collaboration with Finance

Half of travel buyers encounter difficulties when it comes to collaborating with Finance, among which lack of connected systems is mentioned the most.



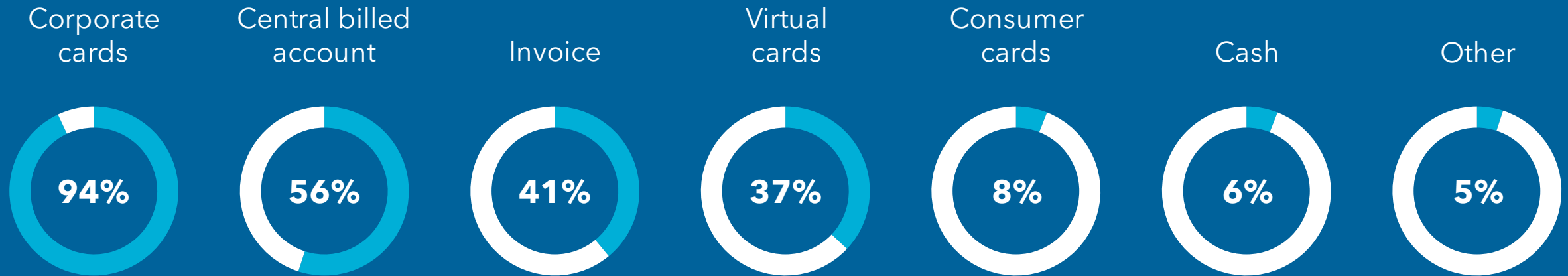
Finance's role in travel

Finance is a frequent decision-maker when it comes to selecting payment & expense tools and VAT reclaim. Also, this stakeholder frequently influences or contributes to several other travel management tasks.



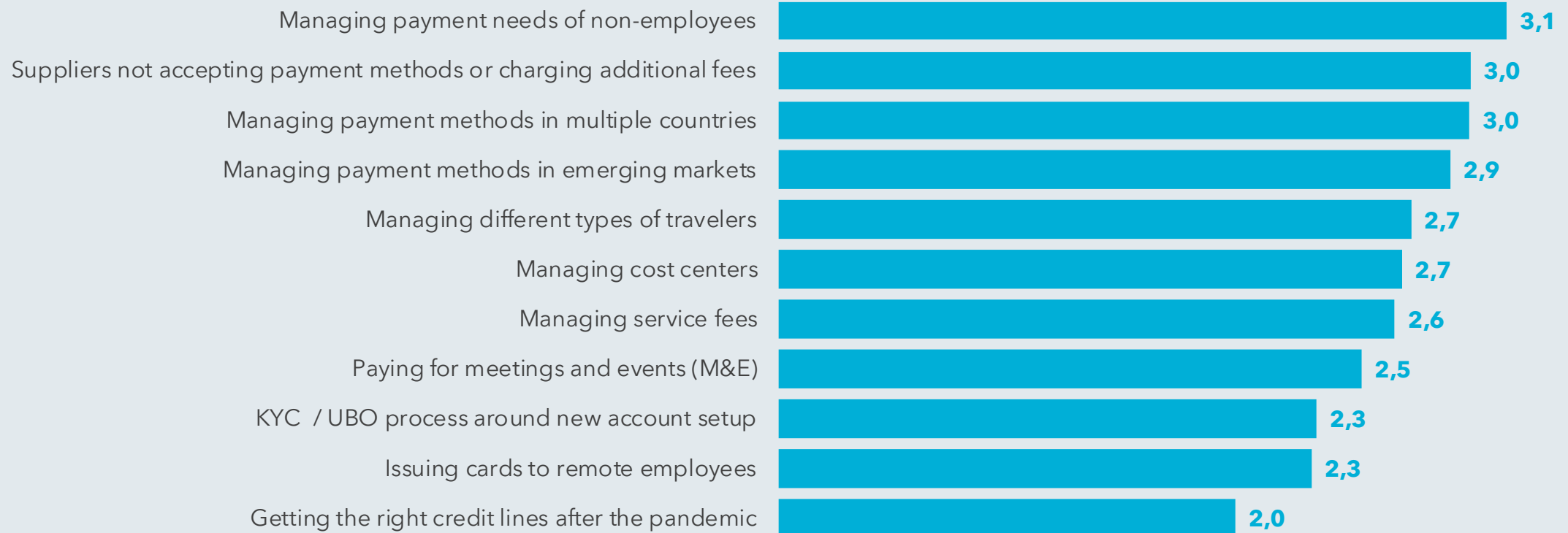
Forms of payment used to settle travel costs

While corporate cards are most used, central billed account and invoice are still very popular. Virtual cards are used by around a third of the respondents.



Payment setup and administration pain points

Managing the payment needs of non-employees, in multiple countries and in emerging markets, as well as the issues with suppliers are among the biggest payment challenges.



Mean values on a 1-to-5 point scale from "not challenging at all" to "extremely challenging"

Expense reconciliation pain points

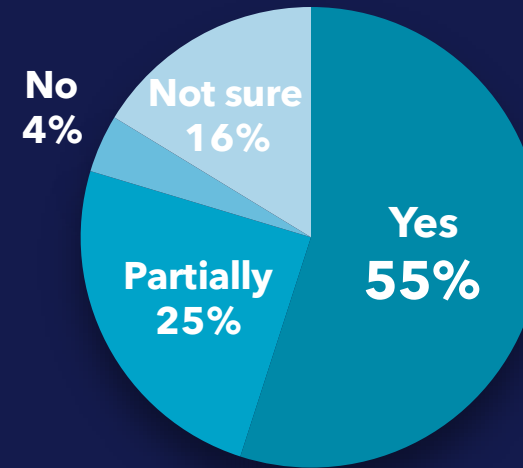
Manual processes, invoice errors and missing invoices are the most challenging expense reconciliation issues.



Mean values on a 1-to-5 point scale from "not challenging at all" to "extremely challenging"

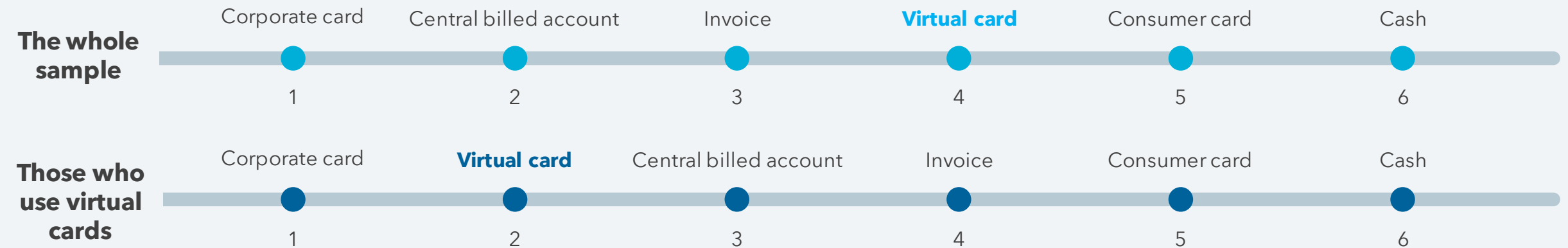
Payment data integration into **expense system**

Over a half of travel buyers have their payment and expense data integrated.



Data quality of payment methods

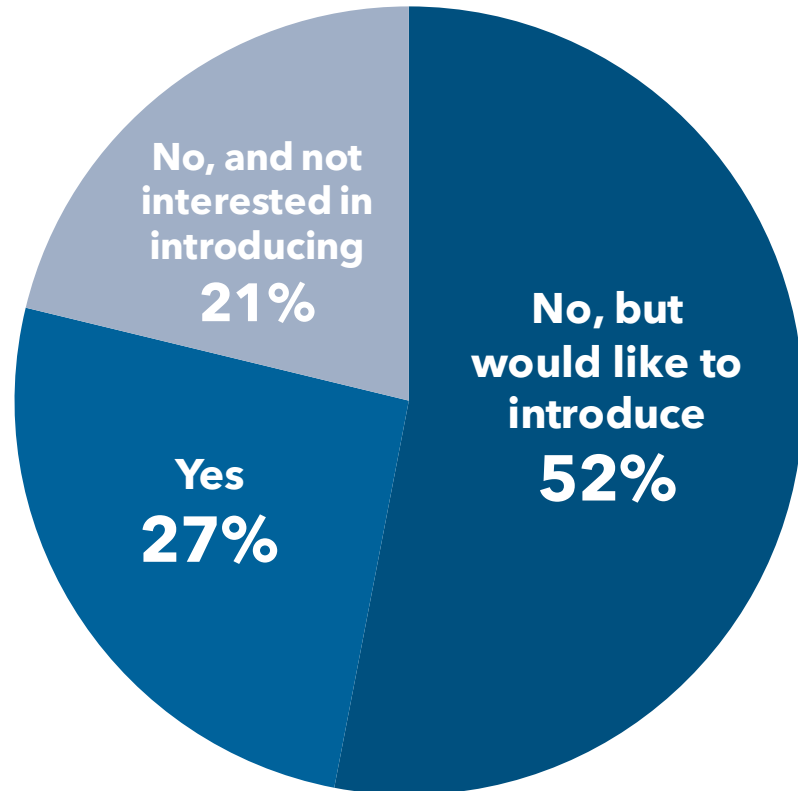
Worth noting: Virtual cards aren't high on the list when it comes to the data quality of payment methods. Travel buyers **who use** virtual cards (37% of sample) think differently – they rank virtual cards **second** according to data quality.



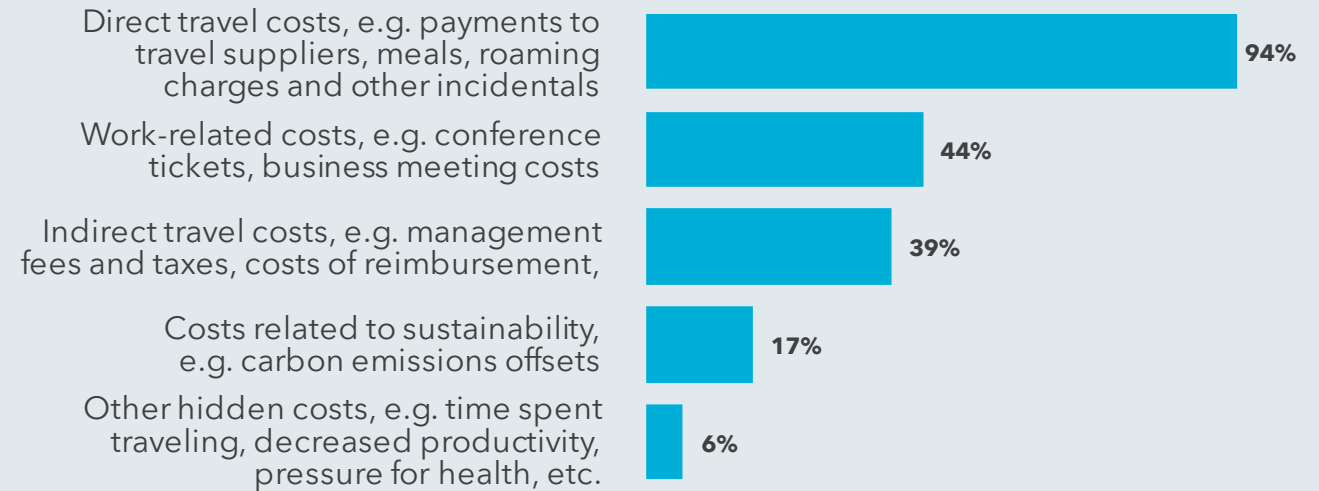
Ranked from 1 to 6, where 1 is the highest and 6 is the lowest data quality

Total trip cost (TTC)

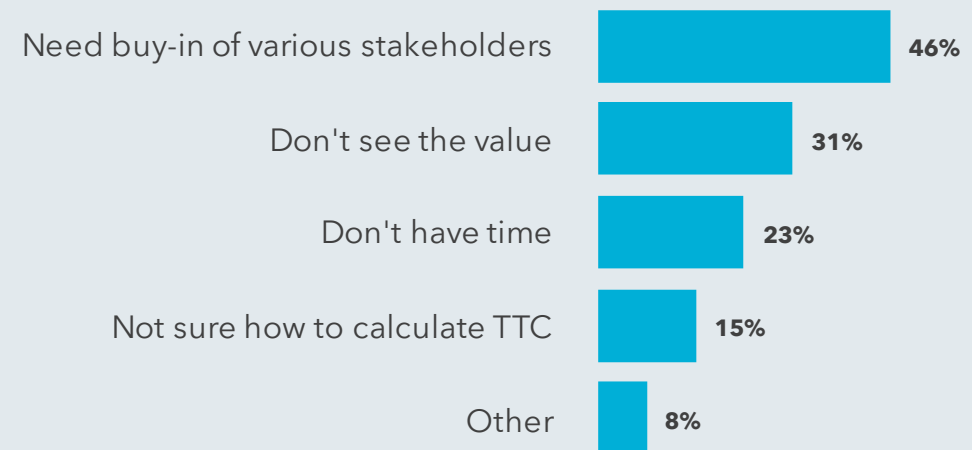
More than half of respondents don't use total trip cost, but they would like to introduce it.



What's included in the TTC calculation

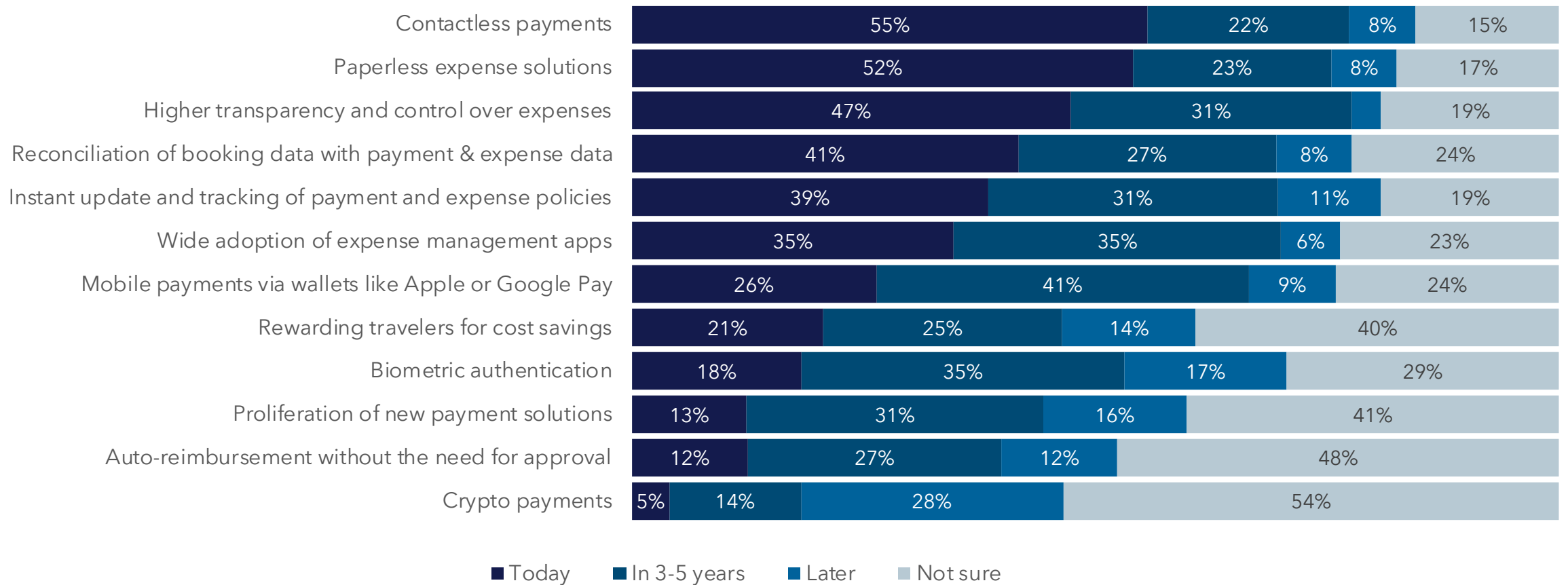


Reasons for not using TTC



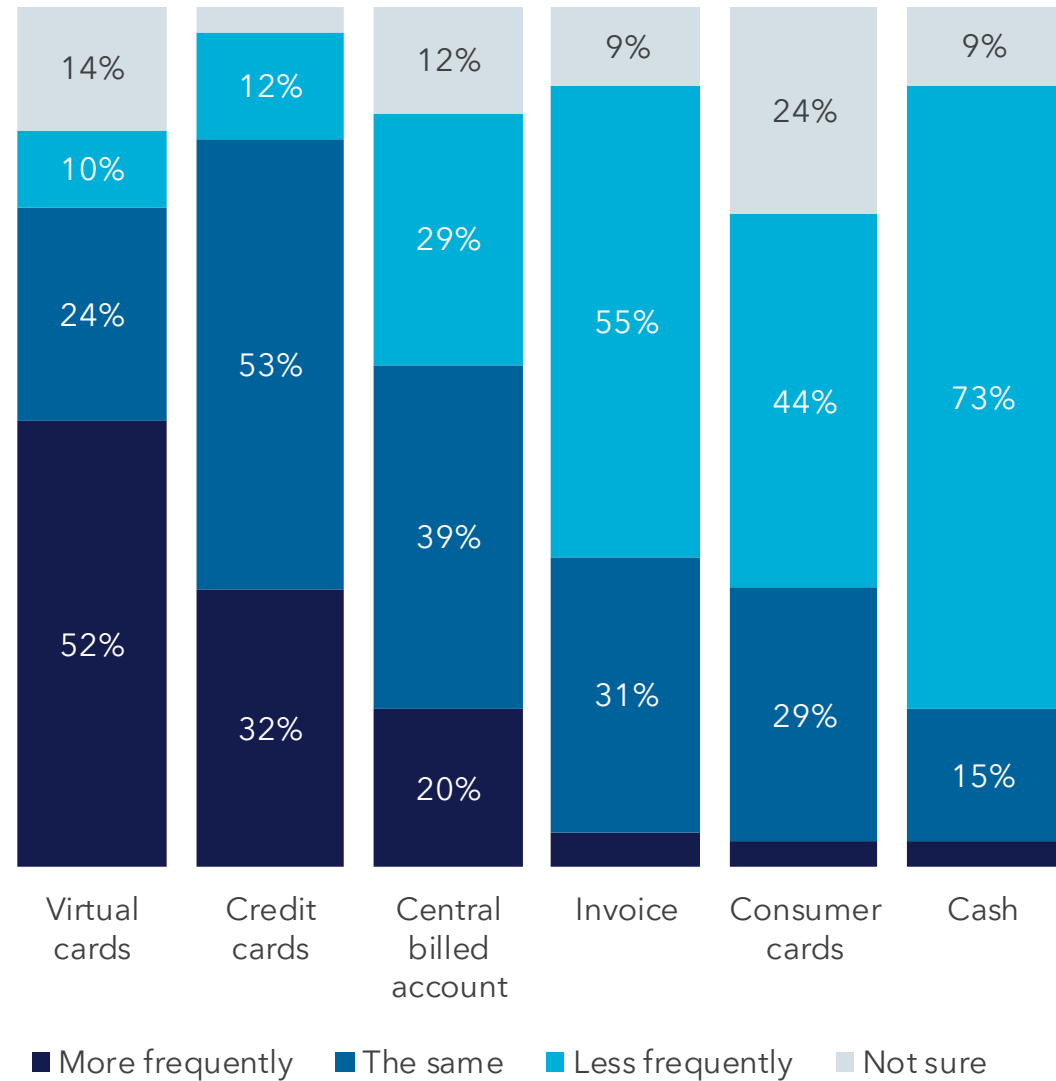
Payment & Expense trends

Contactless payments, paperless expense solutions and higher expense transparency are currently shaping payment & expense in travel. Mobile payments are expected to become more popular shortly, while crypto payments may take off later.



Forms of payment and frequency of their use in the future

In five years, more than half of travel buyers expect to be using virtual cards more frequently, while cash and invoices will become less popular.





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