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The German Business
Travel Association



VDR Business Travel Report 2024

22nd edition



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Christoph Carnier, President of VDR

For the past 50 years, Verband Deutsches Reisemanagement (VDR) has been accompanying and shaping the development of business travel in Germany. In this period, the sector has seen huge transformation – from business travel being a rarity in the 1970s to the market worth billions of euros it is today. Globalisation and digital transformation are driving mobility forward and are rendering professional travel management essential.

Business travel in Germany is an important growth engine. Many sectors benefit from it, regardless of region and season – from the hotel industry to retail and catering. But VDR is a trailblazer not only in economy-related thinking and action; sustainability is also gaining significance in the business travel industry due to our work.

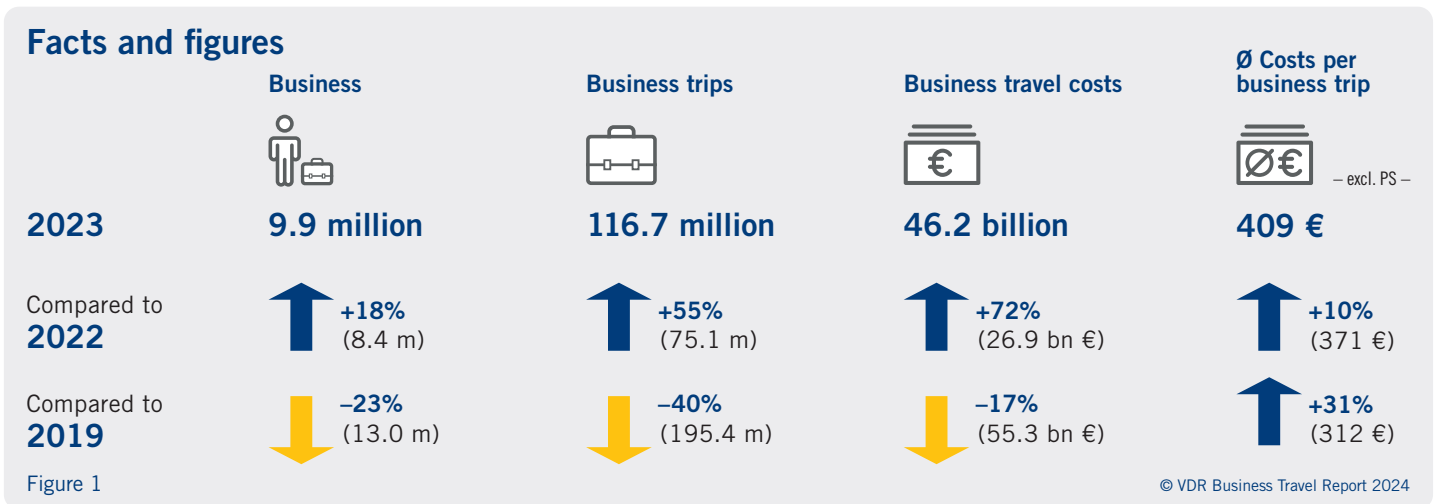
The continuous wave of strike action at key transport providers at the beginning of the year showed that mobility is the basis for business travel and thus for a well functioning economy. Dialogue with our members is the right platform to create conditions for environment- and economy-friendly business mobility – in Germany and at the international level.

The 22nd VDR Business Travel Report exemplifies our consistency, even in times of crisis. Starting over 20 years ago as the first study that aimed to present representative, regular and independent facts, figures and trends, to this day it remains a reliable source for looking at the future and the past.

The way we view things has changed as new realisations have emerged over the past few decades. The results we have gathered have been the basis for discussion in Travel Management and have become essential collective knowledge. Current trends such as “New Work”, safety and artificial intelligence have developed to the point where they are impacting the agenda and the future of mobility. New work models present challenges to travel managers, but they also open up opportunities to increase efficiency and guide employees. Today’s travel managers are also taking on an increasingly important role in companies when it comes to efficiently orchestrating the complexity of requirements with all the relevant departments, such as Tax and HR. The future can be changed – we must keep the key coordinates in view and actively shape them to provide the best possible support to companies and business travellers.

With our members and partners, VDR is driving forward the transformation towards integrated business travel on many levels. Because one thing is clear: business travel and professional management of people and mobility will continue to evolve. They will remain an essential part of the economy and society. With VDR as an experienced partner, companies are well equipped for the challenges of the future.

1 Key figures at a glance



Ups and downs – Germany's economy and business travel

Against the backdrop of ongoing crises, Germany's GDP shrank by 0.3% in 2023. Inflation, the energy crisis and the Ukraine conflict had a stronger impact than in other European countries. But the German business travel market is recovering very quickly, with 116.7 million business trips taken – up 55% on the previous year. However, companies planned business trips more carefully – with good reason, since business travel costs increased by 72% to €46.2 billion. Increasing demand, a scarcity of skilled workers and capacity bottlenecks in particular continued to negatively affect the sector. But the MICE sector (meetings, incentives, conferences and events) is experiencing a comeback. In spite of so many areas going virtual, personal platforms are important to foster business relations, forge new partnerships and drive forward innovations. (Figures 2 and 4, Pages 8 and 9)

to 2019. The trend away from one-day trips towards multi-day trips continues, facilitated by the pooling of events and increased travel abroad. Adding a personal stay before or after a business trip is also popular.

(Figures 3 and 6, Pages 8 and 10)

Relative share of expenditure on air travel is problematic

Although the cost areas remain stable in relation to each other, there have been changes within transport costs: The “pandemic effect” to the benefit of overland travel is a thing of the past. The relative share of expenditure on air travel has returned to its 2019 level due to more trips abroad and higher ticket prices. The increase in expenditure could be one reason why the majority of business travel managers already has or is interested in having a corporate agreement with airlines.

(Figures 7 and 8, Page 11 ff.)

Increase in business travel abroad

In 2023, the average duration of a business trip rose to 2.6 days. Especially among SMEs business trips increased in duration – by one day compared

Higher value placed on business travel

In the past two decades, the perception of business travel has fundamentally changed. Once primarily considered a cost item, it is now seen as a

valuable investment. Post-pandemic in particular, companies are recognising the benefit of face-to-face meetings and networking for maintaining relationships, exchanging knowledge and innovation. 97% of managers acknowledge the value added by business travel. Focussed travel management and employee support maximise its benefit. More than one in ten business travel managers still struggle for their work to be recognised as valuable by management.

(Figure 16, Page 17)

Creating synergies – integrated mobility management has reached SMEs

When employee mobility is considered a strategic area that needs to be designed in an economically viable, efficient and environmentally friendly way, pooling competencies is one way to achieve it. Although the majority of larger companies has already pooled the many responsibilities or will do so within the next one to two years (65%), the trend here continues to decline slightly. SMEs on the other hand are increasingly working on pooling these responsibilities. When an integrated approach is taken to employee mobility, it is the classical business travel areas such as the car fleet and company cars that tend to be pooled.

(Figures 14 and 15, Page 15 ff.)

Sustainability between continuity and transformation

Sustainability has penetrated all areas of life, including corporate travel. This can be seen in the results of the key thematic areas: Sustainability

that focusses on environmentally friendly behaviour has slipped to second place, behind process optimisation but still in front of travel safety. More and more companies are engaging in environmental and social responsibility activities by implementing or planning suitable measures. While critical reviews of whether a business trip is necessary have become less common, sustainable offerings for employees have gained significantly in popularity. The shift to public transport is also becoming more popular. Sustainability in business travel management remains a key topic and choosing certain modes of transport over others is gaining momentum.

(Figures 13 and 19–22, Pages 15 and 20 ff.)

Here to stay – flexible work models

Flexible work models have arrived in German companies. All companies surveyed at least partially allow their employees to work from home or remotely within Germany. 43% also allow them to work from abroad, with another 33% planning to allow this. Larger companies are proving to be quite flexible in this regard, with 39% allowing employees to choose their location worldwide. Smaller companies tend to focus on the EU. The maximum duration varies strongly between two weeks and over 60 days. Legal requirements and questions of insurance play a role here. Overall, stays abroad of up to 30 days are possible in almost half of the companies that allow employees to work from abroad. With more flexibility, companies can increase employee satisfaction, attract talent and increase productivity – with cost savings on office space being an added advantage.

(Figures 23–25, Page 24 ff.)

To whom it may concern,

Business travel is a important indicator of how the German economy is doing. If it goes into decline, companies have to make savings – in further training, HR and also in business travel. That is why VDR and its annual Business Travel Report are an indicator of the position of our country as a business location and of course for our travel and tourism industry.

If there is less business travel, innovation, communications and growth automatically suffer. As a tourism politician it was difficult for me to see the collapse of business travel during the Covid-19 pandemic. I am very concerned about the fact that this gap has still not been closed, due to inflation, cost increases and a lack of an overall economic perspective.

It is all the more important to remain in dialogue about this and all other topics. I have always experienced VDR as highly engaged, competent and communicative. For us industry politicians, a visit to the VDR booth at the ITB is a matter of course. At hearings and expert dialogues, VDR is an essential partner when it comes to talking about the climate of business travel in Germany. VDR's knowledge around current trends in Travel Management is particularly valuable. Companies have repositioned themselves in recent years when it comes to the topic of travel. Environmental awareness, efficiency and flexibility are on the agenda. This is exciting to watch, and it also offers deep insights into the processes and strategies of the companies.

The political arena requires knowledge and expertise to improve. VDR is a permanent member of the travel industry family in this regard. On behalf of the entire tourism committee, I would like to thank VDR for 50 years of successful representation of interests – as a contributor of ideas, a dialogue partner and a provider of information.

I look forward to continuing to work with you to ensure a good business travel climate in Germany and congratulate you on your 50th anniversary.

With best regards,

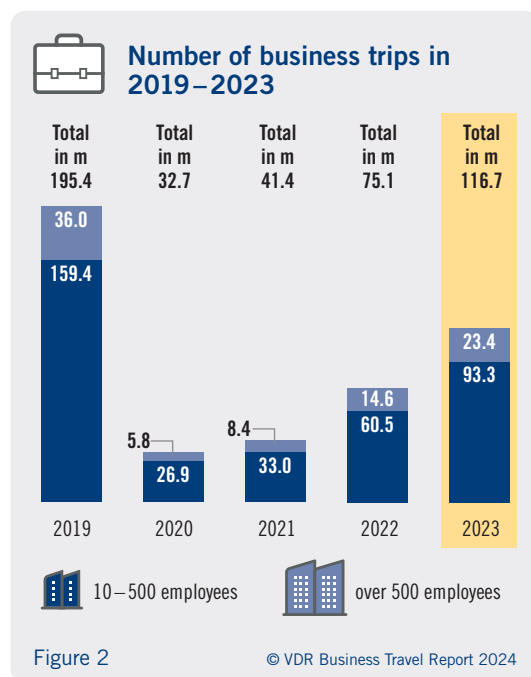
Jana Schimke, MdB, Chair of the Committee on Tourism in the German Bundestag



2 Business travel: Facts and figures

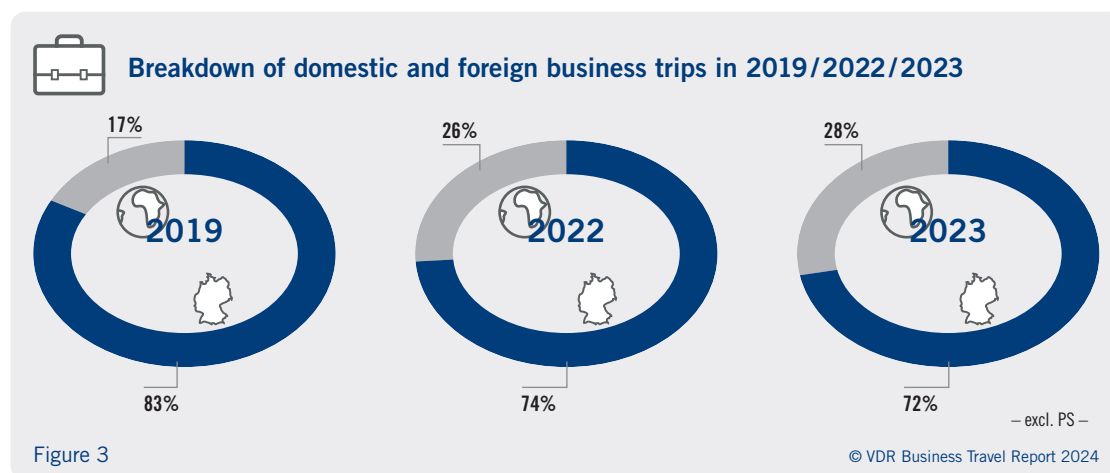
Quantity

“ How many business trips were taken in 2023? ”



In 2023, price-adjusted gross domestic product (GDP) in Germany declined by 0.3% year on year. The backdrop here was an environment dominated by ongoing crises.¹ The continuing challenges such as inflation, the energy crisis and the impact of the Ukraine war have affected the German economy to a greater extent than other countries in Europe. Many companies have been forced to plan business travel more carefully. As a result, the German business travel market is recovering, but slowly. The number of business trips rose to 116.7 million. This is an increase of 55% year on year, but is 40% below the record year 2019.

The majority of all business trips continue to take place within Germany. In addition, the trend that began in 2019 towards a greater relative share of travel abroad continued, with 28% of trips being to other countries. The MICE market left the event bans and pandemic-related limitations of 2020–2022² behind it. According to the Meeting & Event Barometer 2023/2024, participation in MICE events grew by 68.5% in Germany in 2023 compared to 2022, which is equivalent to 73.5% of the 2019 level before the pandemic. Within the MICE segment, trends towards more “promotable” trips and fewer traditional business trips continued. 77% of business travellers planned MICE trips in 2023, and only 43% planned traditional business trips.³



¹ See press release no. 019 of the Federal Statistics Office, Wiesbaden, 15 January 2024

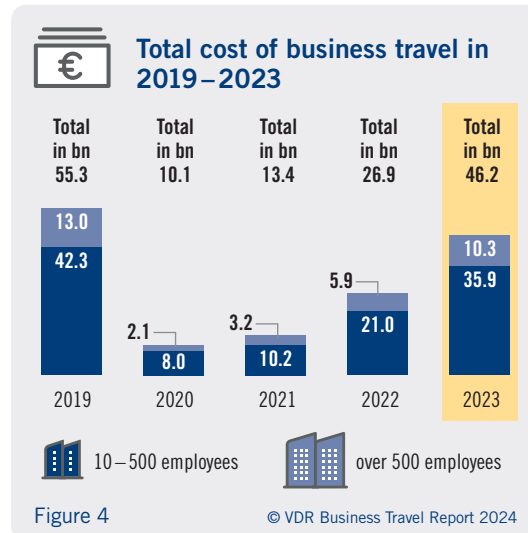
² See <https://www.auma.de/de/medien/meldungen/100-messen-verschoben-oder-abgesagt> as well as <https://www.auma.de/de/medien/meldungen/presse-2022-01>

³ See <https://www.tophotel.de/so-entwickelt-sich-das-mice-business-306231/>

Costs

“ How high was total business travel spend in 2023? ”

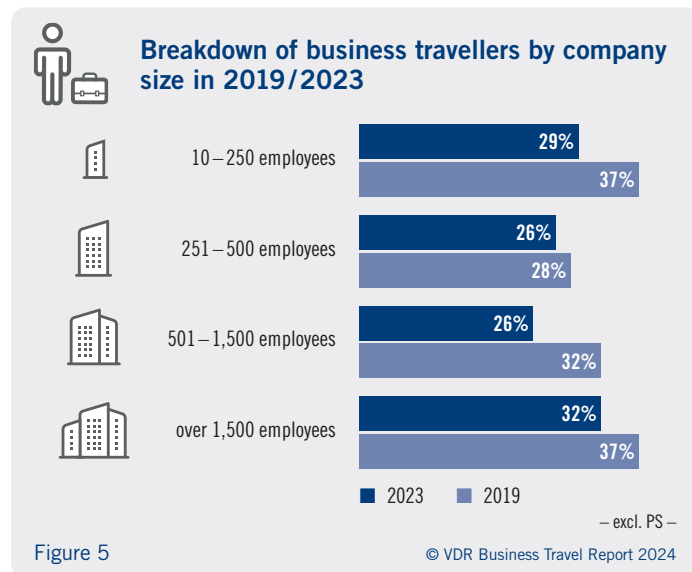
Once again, spending on business travel increased much faster than travel volume. Increased demand, capacity bottlenecks, energy costs and price increases meant that total business travel costs rose by a full 72% to €46.2 billion. And both in terms of travel volume and costs, the trend in the public sector is above average, with 73% more business trips and 96% higher costs year on year (not illustrated).



Business travellers

“ How many business travellers were there? ”

Regardless of company size, both the number and percentage of business travellers within the companies continued to increase. In 2022, 8.4 million business travellers moved away from video conferences and towards face-to-face meetings; in 2023, this figure was 9.9 million – an increase of 18%. The fastest percentage increase in recent years was at the largest companies with over 1,500 employees. In the record year 2019, this was 37% of workforces – in 2023 it was also almost one third (32%).



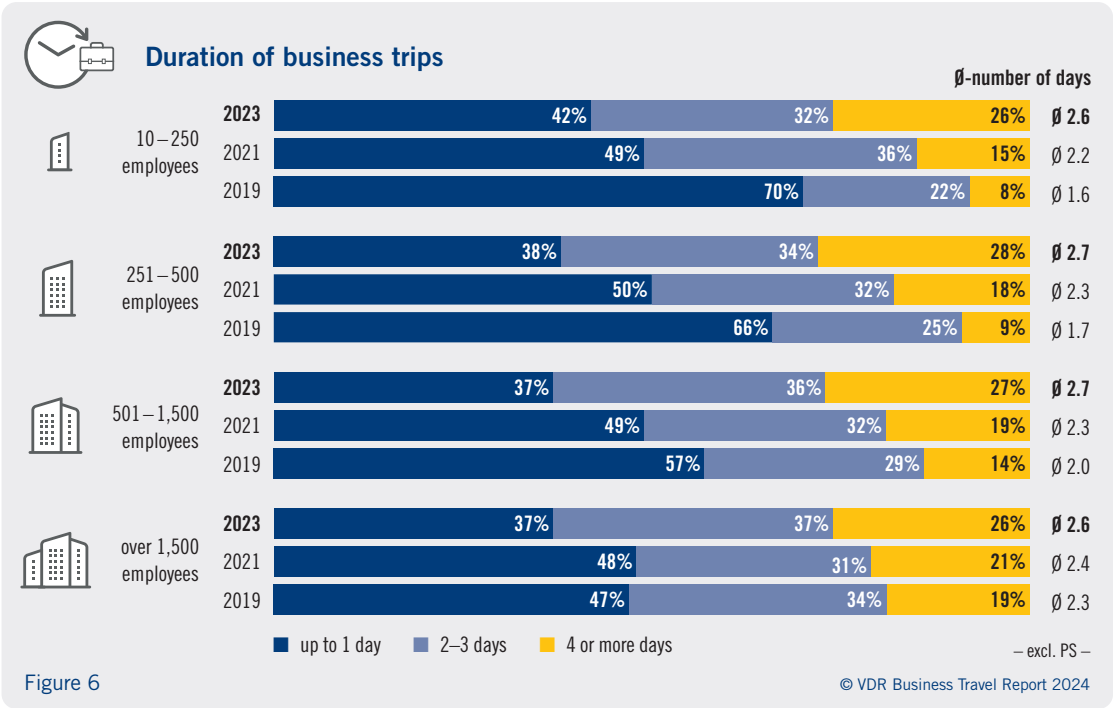
Duration

“ How long do business trips take? ”

The countertrend to years of ever shorter business trips continued in 2023, with the average duration of business trips increasing further to 2.6 days overall. The greatest shift away from day trips and towards multi-day trips was recorded at SMEs, where business trips were an average of one day longer than in 2019.

This trend is probably due to the pooling of business travel reasons as well as the relative increase in travel abroad (See Figure 3), but also the possibility to plan a personal stay before or after the business trip (See Figure 23 on the topic of “Work models”).

In the public sector too, there has been a clear shift towards longer trips: in 2019, 72% of business trips did not include an overnight stay, whereas in 2023 this had decreased to 42% (not illustrated).



Any work-related trip that is recorded on the basis of individual expense reports counts in this study as a business trip. The duration, purpose, distance and destination of the journey and the professional status of the travellers are insignificant here. As soon as expenditures are charged to the company or organisation as business travel expenses, they are counted in these figures. Business travellers are employees of a company or public-sector organisation who take at least one business or official trip per year.

For further definitions of the terms used here, please see the VDR Glossary: www.vdr-service.de/glossar (in German only).

Due to the differences between the private sector (“businesses”/“companies”) and the public sector, most results are presented separately. The corresponding data basis is clearly identified at the respective points in the report: When reference is made to businesses or companies, the public sector is excluded (marked with “– excl. PS –” in the figures). When reference is made to organisations, this means both companies/businesses and institutions in the public sector. The category SMEs = Small and medium-sized enterprises refers to companies with 10–250 employees. When we speak of “smaller businesses” in this report, we mean companies with 10–500 employees.

3 Structure of business travel costs

Average costs

Average costs per business trip rose compared to the previous year by 10% to €409. This was both due to price increases that were much higher than the inflation rate as well as the further increase in the average duration of trips in 2023. Responses to this could include stricter travel policies, booking economy flights for long-haul travel, limits on overnight and flight prices, limiting booking to hotels with contract partners and a freeze on budgets or even travel bans.⁵

Expenditure per person and day of travel rose slightly more moderately due to the longer average trip duration – from €154 to €158. €102 was spent on holiday trips per person per day. This is also a record and went hand in hand with a significant increase in trip duration.⁶

Average cost per business trip in 2019–2023. Daily expenditures for business vs. holiday travel in 2019–2023⁴

	Average cost per business trip	Expenditure per person per day	
		Business trips	Holiday travel
2023	409 €	158 €	102 €
2022	371 €	154 €	95 €
2021	334 €	147 €	83 €
2020	323 €	161 €	82 €
2019	312 €	162 €	83 €

⁴ Our own calculations, in conjunction with FUR, Kiel: Initial results of the 2020–2024 travel reports. Business travel expenditure per person and per day: companies only, not the public sector. Holiday trips of 5 days or longer.

Table 1

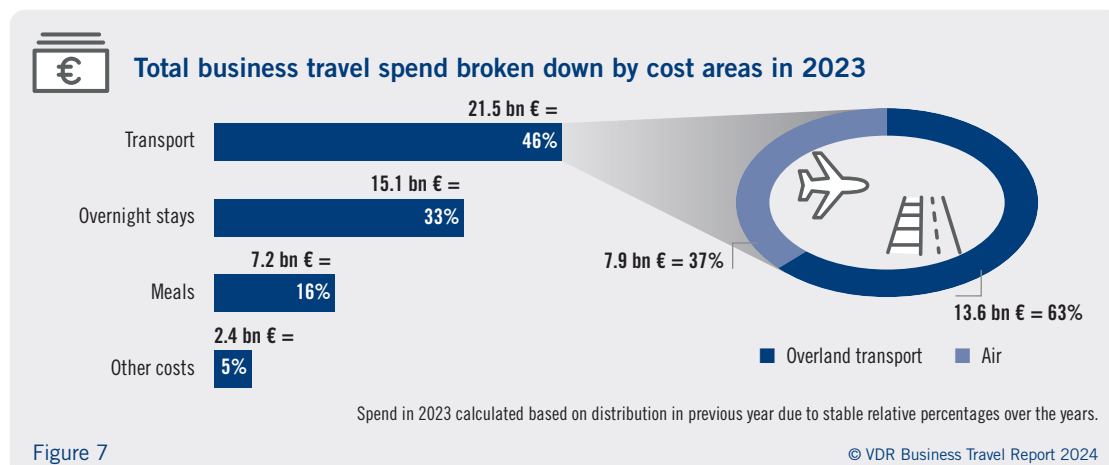
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Cost areas

“How are transport costs in your company (excluding costs for company cars, car fleet) spread across modes of transport?”

The total costs for business travel rose between 2022 and 2023 by €19.3 billion (72%). As the relative percentage between the different cost areas has remained quite stable over the years, the figure shows the 2023 expenditure compared to the previous year's distribution. But things are

changing within transport costs. The “pandemic effect” that benefited overland modes of transport is over and the relative amount spent on air travel has returned to the 2019 level. There is a noticeable shift towards more trips abroad as well as a strong increase in costs per ticket.



⁵ See <https://www.handelsblatt.com:> „Mehr als 50 Prozent teurer – Dienstreise wird zum Kostenproblem“, 06.05.2024 – 10:30 Uhr

⁶ See Forschungsgemeinschaft Urlaub und Reisen e.V. (FUR), Kiel: Erste ausgewählte Ergebnisse der 54. Reiseanalyse (2024)

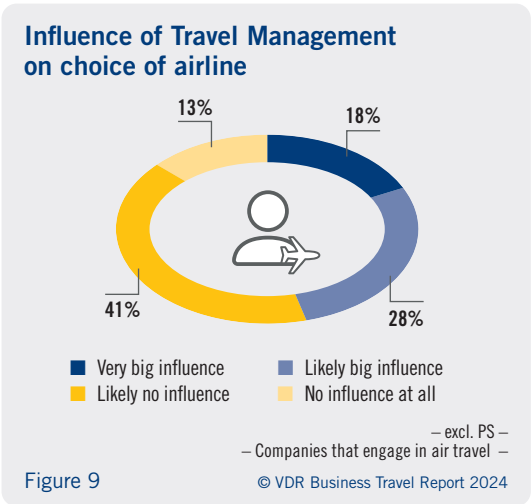
4 Collaboration with airlines

Corporate agreement

“ Does your company have a corporate agreement with an airline or is it interested in having one? ”

A corporate agreement, also called a corporate deal or a company programme, is a special discount and bonus programme that airlines offer to companies which regularly book business trips. The majority of business travel managers say they have such an agreement or are interested in having

one. In the larger companies this figure is 75%, in the smaller companies 67%, and in the public sector 68% (not illustrated). For organisations, these deals are worth making as they offer cost savings and bonus services when a certain volume of air travel has been reached.



Influence of Travel Management

“ What influence does the Travel Management team at your company have on the choice of airline? ”

Just under half of travel managers have an influence. If there is a full-time travel manager at the company, the percentage is slightly higher than in companies that do not have one (not illustrated). However, just over half of travel managers have no influence on the choice of airline.

So it is not sufficient to have a corporate agreement (see Figure 8) as although the majority has one, the influence is quite small. Influence is more likely to be driven via booking tools, in particular in travel-intensive companies, with a combination of parameters, including most recently the carbon footprint.

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Components of a corporate agreement

“If yes, how important is it that the following components are included in a corporate agreement with an airline?”

The most important components of a corporate agreement are the financial benefits, which include options to rebook free of charge, discounts and the airline's agreement not to apply “malus” rules, which would entail penalty payments or other disadvantages if certain requirements or booking volumes are not met.

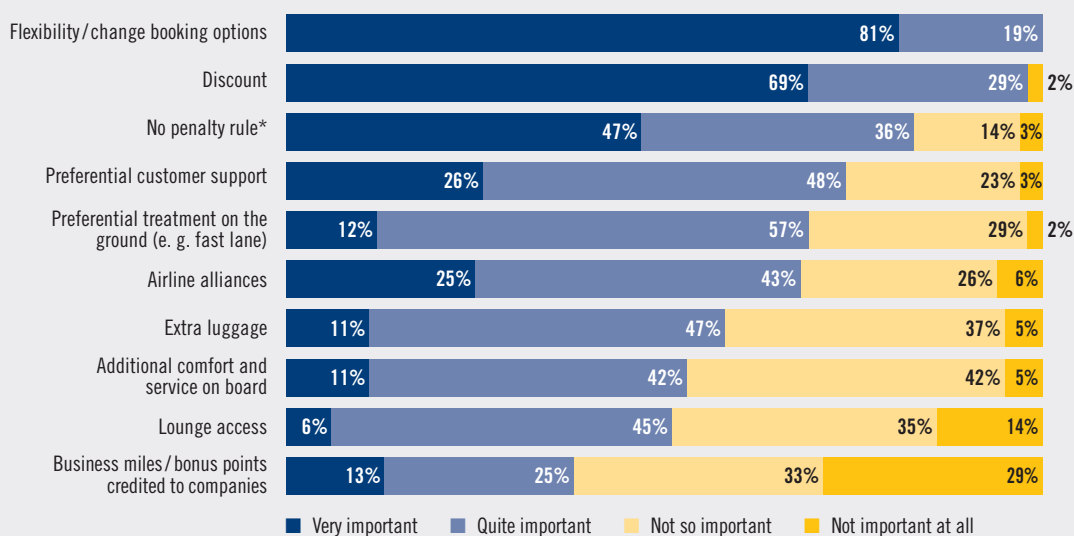
Other components that are important to companies often involve better service that reaches the travellers. Airline alliances, which are categorised as “very important” by a quarter of respondents,

can mean cost savings and more comfort, especially for business travellers and frequent flyers. Examples of other components named in response to the open question are:

- Sustainable aviation fuel (SAF) and green fares offered
- Availability of all price categories via GDS software
- Long reservation periods
- Pick-up from hotel/home
- Detailed reports



How important is it that the following components are included in a corporate agreement with an airline



*No penalty rule = no loss of privileges if, for example, minimum volume of flights is not taken

– excl. PS –
– Companies with (or interested in) a corporate agreement –

Figure 10

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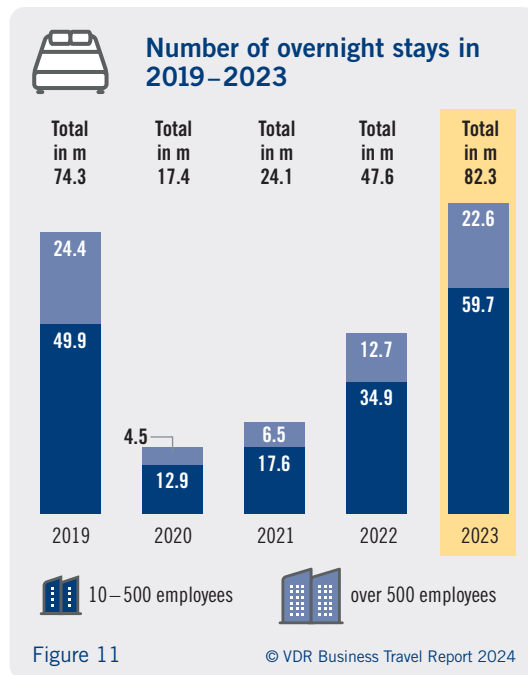
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5 General trends in overnight stays



⁷ Number of overnight stays = room nights.

Quantity

“ How many overnight stays did the business trips taken by the employees in your company/organisation include? ”

After the number of overnight stays by German business travellers doubled in 2022 to 47.6 million, this trend continued and exceeded the 2019 volume, reaching 82.3 million. Longer trips across all organisational sizes and the relative increase in stays abroad led to an increase in overnight stays of 73%. Compared to the previous year this trend was mainly driven by larger companies with over 500 employees (81% increase in overnight stays) and business travellers from the public sector (91% increase in overnight stays).



Domestic vs. foreign travel

“ What was the distribution of overnight stays between domestic and foreign accommodations? ”

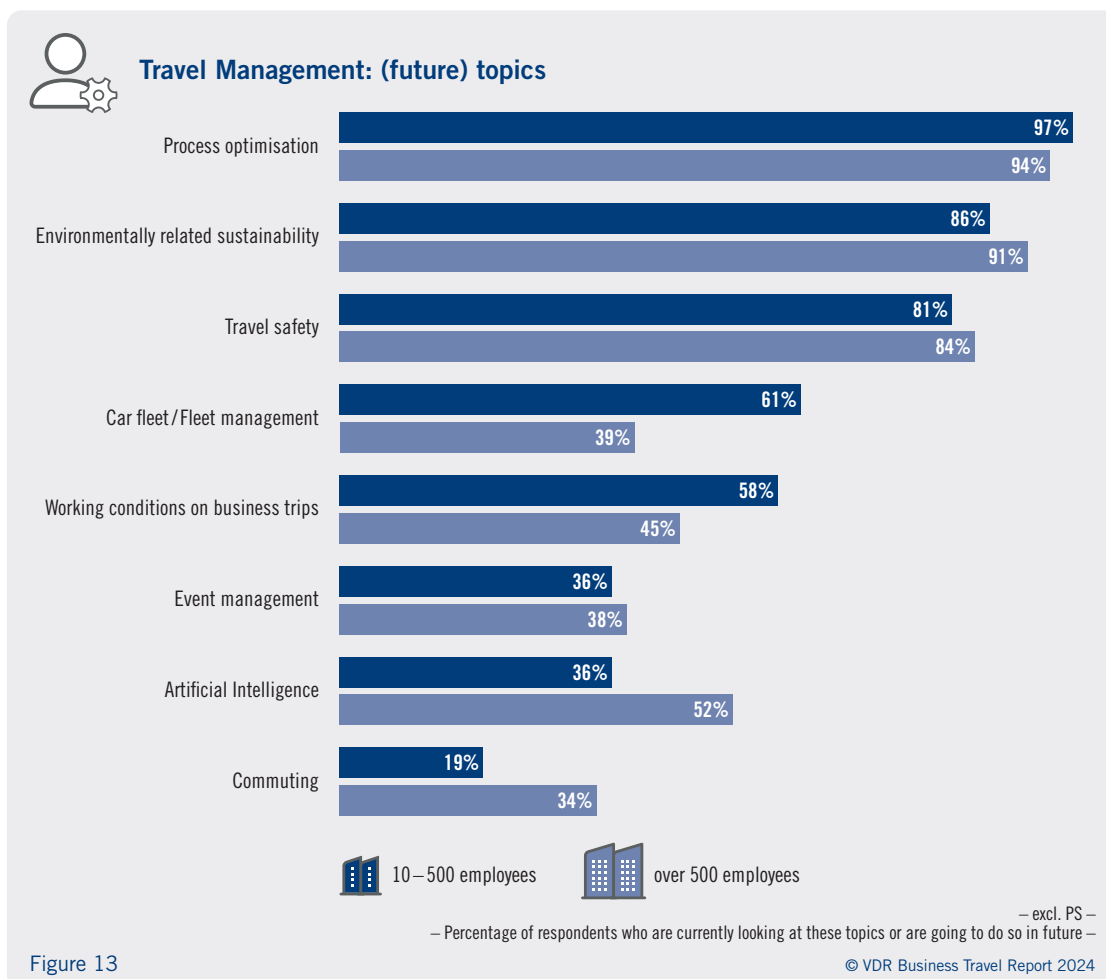
Although most overnight stays took place in Germany (56.7 million), growth in overnight stays by German business travellers was most noticeable abroad, where the volume almost doubled in 2023 from 13.2 million to 25.6 million. The lion's share of overnight stays in Germany was booked by SMEs.

6 Current trends in Travel Management

Current and future topics

“ Which of these Travel Management topics are/will you be addressing? ”

Topics around process optimisation, environmental sustainability and travel safety are/will be top of the agenda for respondents from all company size categories. More smaller companies are working on car fleets (61%) and working conditions on business trips (58%). The need for process optimisation is due to the rise of artificial intelligence (AI). This is higher on the agenda with larger companies (52%) than smaller ones (36%). At larger companies, the travel processes tend to be more complex and the necessary expertise is more likely to be in house. The business travel experience can be personalised by AI, data can be analysed and cost drivers and optimisation potential identified.



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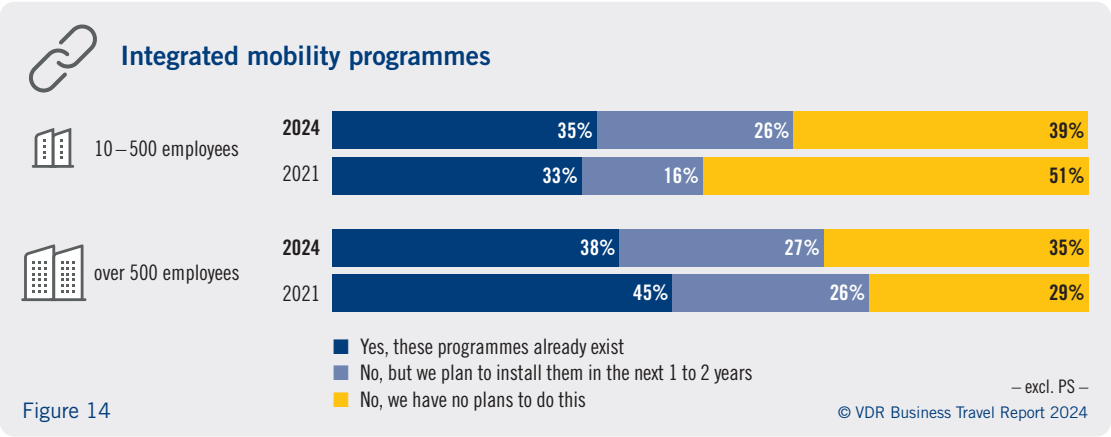
Integrated mobility management

“ Does your company have integrated approaches to mobility and do you (plan to) pool them in one place? ”

In connection with the need for process optimisation, whether with or without AI, it makes sense to consider employee mobility as an area with plenty of potential synergies, which needs to be designed strategically. Here, companies need to analyse all facets of their organisation and develop solutions that are economical, efficient and at the same time environmentally friendly. This includes business travel, commuting, car fleets as well as privately used mobility offerings. In addition to the direct costs and processes, a mobility strategy should take into account the indirect impact on the environment and the company's carbon footprint.

Although the majority of larger companies already pool these diverse responsibilities or plan to do so in the next 1–2 years (65%), the trend is slightly downwards here.⁸ SMEs, by contrast, are increasingly pooling these activities, with integrated mobility management becoming more popular at companies with 10–500 employees.

It is possible that a higher level of task specialisation allows for a more decentralised responsibility at larger companies. In the public sector, integrated management is “not on the agenda” for 39% of organisations (not illustrated).



⁸VDR Business Travel Report 2023, Chapter 5, “Current trends in travel management”, Page 14

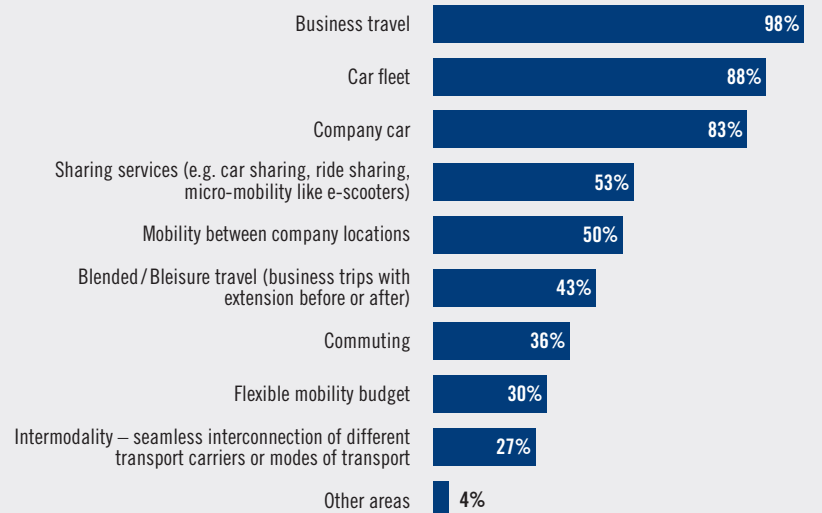
“ If yes, which areas at your company are included in integrated mobility management? ”

Where an integrated approach is taken to employee mobility, it is the classical business travel areas such as the car fleet and company cars that tend to be pooled. Designing intermodality or for example flexible mobility budgets for employees is a complex new topic and is therefore rarely done from one source.

The Corporate Sustainability Reporting Directive (CSRD), cost increases and individual needs necessitate an integrated approach to business-related mobility. Taking a joined-up approach to business trips, car fleet, employee mobility (commuting) and topics such as blended travel increases employee satisfaction and employer attractiveness. This is an opportunity for travel managers to position themselves within the company and to make the value added by mobility more visible.



Areas included in integrated mobility management



– excl. PS –
– Companies with integrated mobility management –
– multiple specifications possible –

Figure 15

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Recognition of value added

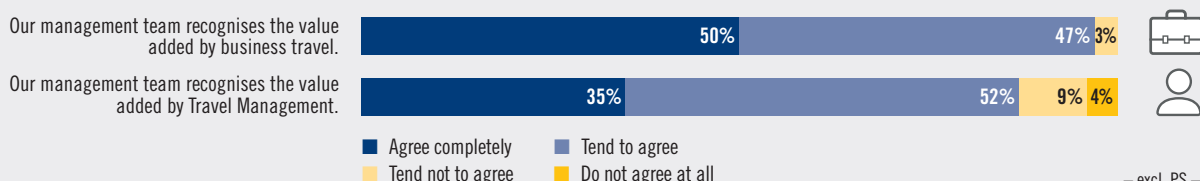
“ To what extent is the value added by business trips and Travel Management recognised by the management team of your company? ”

Today, business travel is appreciated to a much higher degree by companies than just 20 years ago. In the past it was frequently considered a pure cost factor that needed to be minimised.

Today, post-pandemic, companies appreciate the value added by face-to-face meetings and networking for developing relationships, knowledge transfer and strengthening innovation. The value added by business travel is now recognised by 97% of management-level personnel. Its benefit can be maximised by strategic travel management. Accordingly, 87% of company leaders also recognise the value added by Travel Management. Nevertheless, more than one tenth of travel managers are still struggling for recognition.



Recognition of value added by business travel and Travel Management



– excl. PS –

Figure 16

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Travel policy/requirements

“ Does your company have a travel policy or special requirements for business travellers? ”

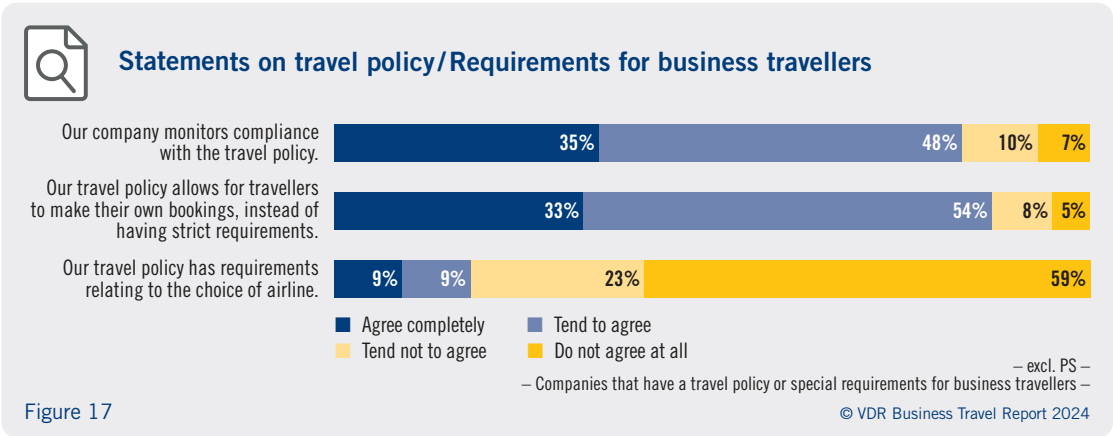
92% of companies and 99% of public sector organisations have special requirements or a travel policy in place to plan, carry out and settle the costs of business trips (not illustrated). The focus is on the choice of modes of travel, accommoda-

tion, affordability and sustainability, and compensation processes, documentation obligations and approval processes are specified. The high percentages could be evidence that compliance is taking an increasingly important role at companies.⁹

“ If yes, to what extent do you agree with the following statements? ”

Compliance with the requirements and/or the travel policy is monitored at 83% of companies. The public sector is a little more consistent, at 91%. But in both sectors, over 80% of travel policies also allow for individual booking decisions

rather than laying down strict requirements. For example, 82% of companies in the private sector say that the choice of airline is not influenced by the travel policy. As shown in Figure 9, direct influence on the choice of airline is not very high.



⁹ Compliance = The systematic adherence by companies to applicable rules and laws in order to avoid legal risks. For more information: <https://www.bitkom.org/Bitkom/Publikationen/Compliance-im-Unternehmen.html>



Support for business travellers

“ To what extent do you agree with the following statements? ”

Designing efficient business travel processes and support for travellers can take many forms. Most larger companies offer their travellers digital tools to save time, for example by simplifying the travel expense settlement process (81%). They also very much appreciate travellers’ feedback on service providers. The most significant difference to smaller companies is a preference for global providers – those who have to engage in more trips

abroad and to destinations farther afield are naturally more likely to need a global service.

64% of larger companies and 68% of smaller companies also allow employees to use the bonus points they have collected from loyalty programmes for private purposes. In the public sector, by contrast, 81% of organisations do not allow this (not illustrated).

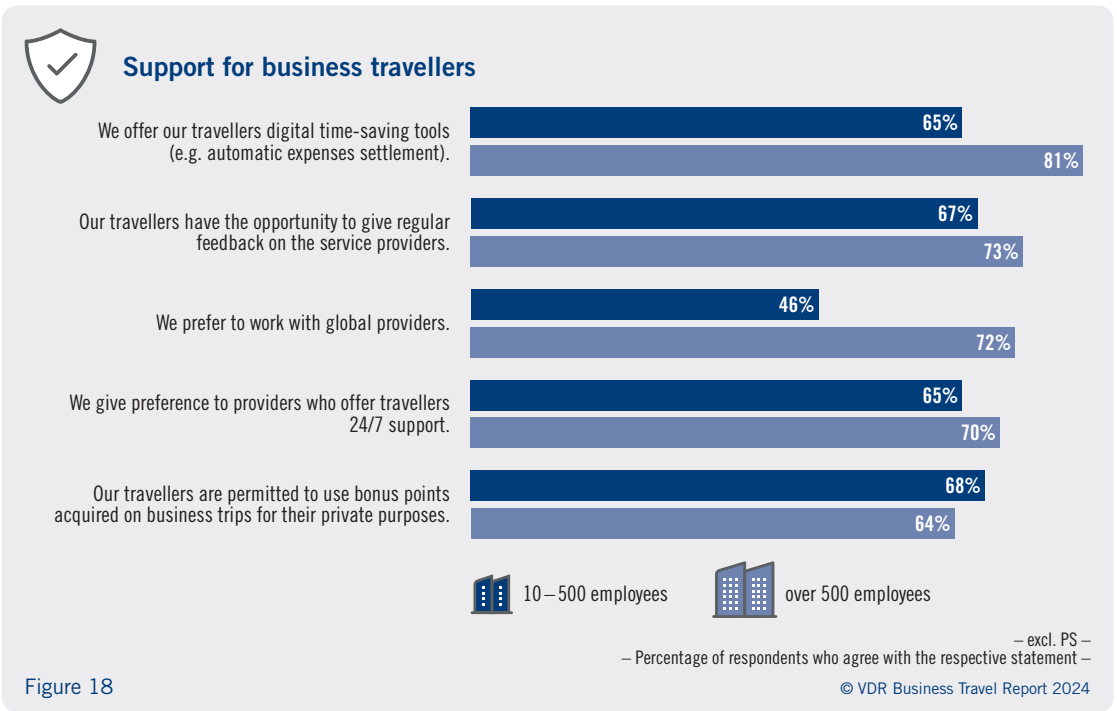


Figure 18

7 Climate protection and sustainability

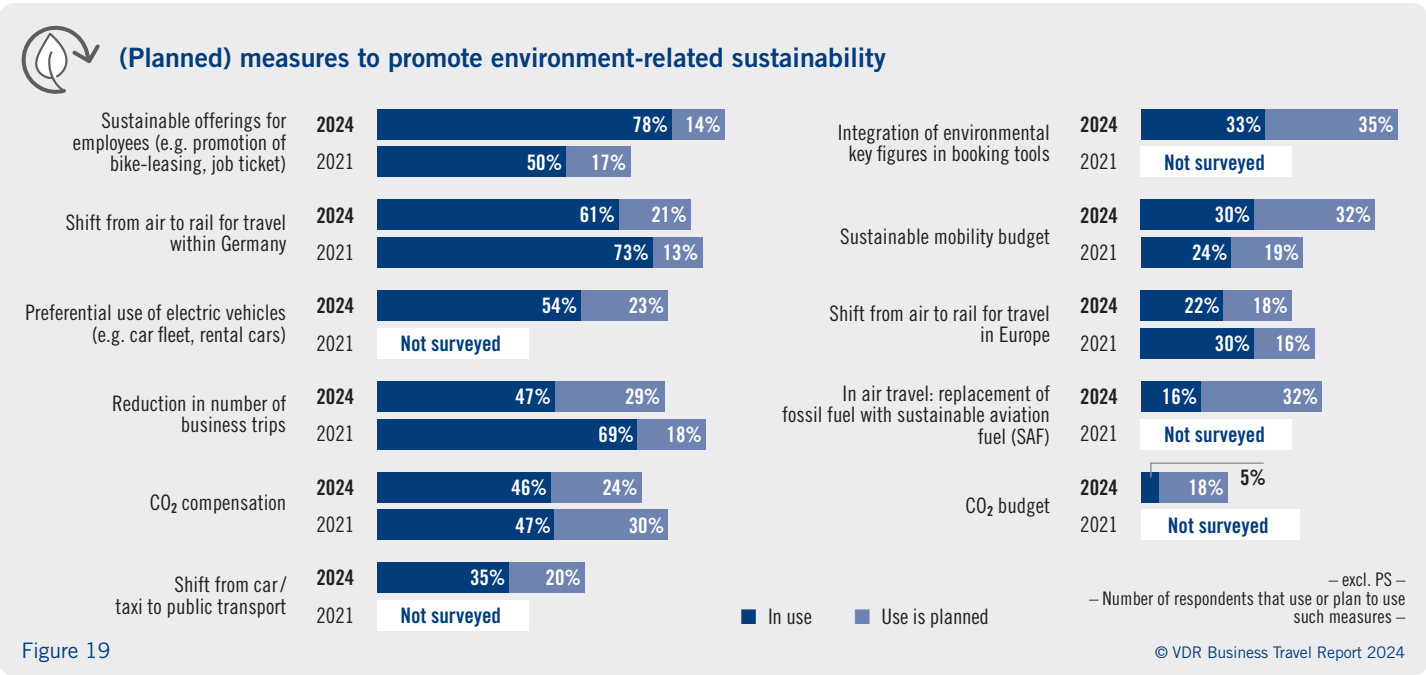
Improvement measures

“ What measures do you or do you plan to implement in the area of business travel and employee mobility to promote environmental sustainability? ”

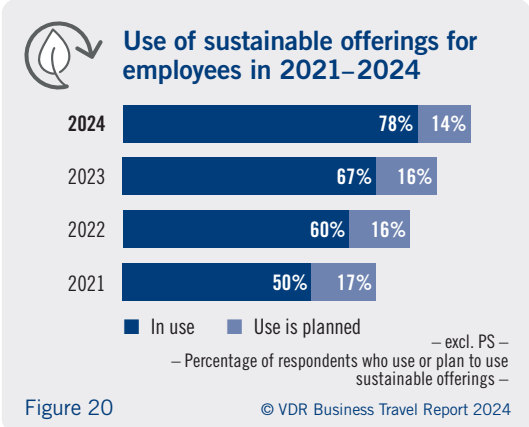
After the passing of the Corporate Sustainability Reporting Directive (CSRD), this year it has become more necessary than ever to integrate sustainability into corporate strategy.

Thus, more and more companies have to actively engage in environmental protection and social

responsibility as well as to implement and plan measures – including for business-related mobility. A key strategy continues to be to critically review whether travel is necessary, although the trend here is downwards. This measure was listed by 87% of respondents in 2021; three years later the figure is 76%.



By contrast, there is an unabated and continuous increase in sustainable offerings for employees, such as the promotion of bike leasing and job tickets for commuters. In 2021, just 67% of companies had such offerings in place or were planning them; currently this figure is at 92% (Figure 20).

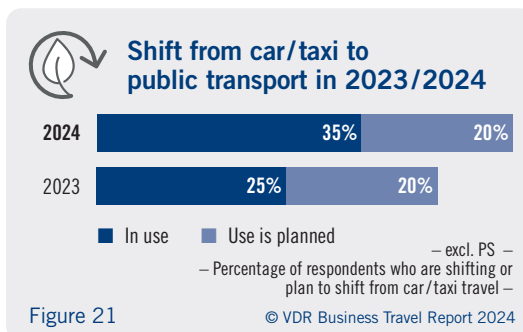


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The shift from car or taxi to public transport is also becoming more popular – this is indicated by the increase from 45% to 55% of respondents who already implement this measure or are planning to (Figure 21). The rising use of public transport is possibly the result of the introduction of the “Deutschlandticket”, which can be used nationwide on local public transport.



Sustainability-focussed companies inform and motivate their employees to travel in a more environmentally friendly way, e.g. by offering training, competitions and bonus systems. They prefer to work with travel agencies that offer environmentally friendly options such as low-emission modes of transport or certified hotels.

In February 2024, criteria were published by the Global Sustainable Tourism Council (GSTC) which represent a globally recognised framework in the growth area of Meetings, Incentives, Conferences, Exhibitions (MICE) to define, measure and promote sustainability. They enable conference venues, organisers and events to become certified according to a uniform standard.¹⁰

The VDR Sustainability Team (a committee of voluntary experts) was founded in 2021 to address relevant issues. Their motto is “Create transparency – increase awareness – promote implementation”. Their aim is to maintain corporate mobility while at the same time reaching sustainability goals. The results and recommendations contain concrete implementation aids for travel and mobility managers, such as their “Eight steps to a climate friendly business trip”.¹¹

The VDR academy offers courses on methods for more sustainability including reporting for those who wish to expand their knowledge in this area. The courses are on demand and a certificate as “Sustainable Business Travel Manager (VDR)” can be worked towards.¹²

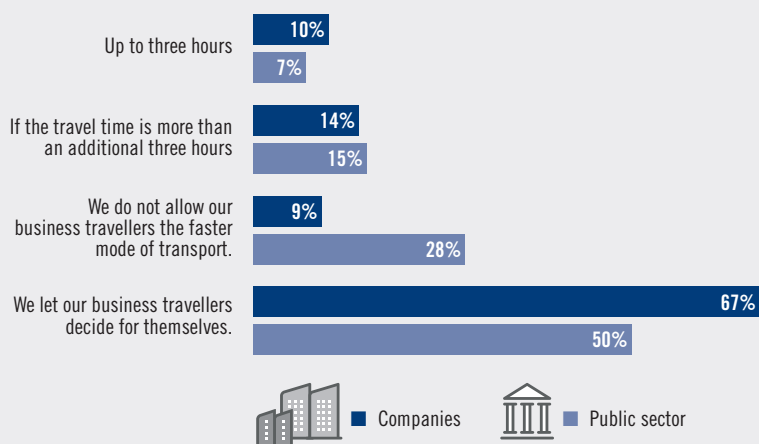
¹⁰ See <https://www.gstcouncil.org/gstc-criteria/gstc-mice-criteria/>

¹¹ <https://www.vdr-service.de/sustainability>

¹² The current training courses on the topic of “Sustainability in travel management” are listed at www.vdr-akademie.de. Demand is high and the courses are quickly booked out.



Shift from air to rail travel – From what additional travel time will you allow your business travellers to use the fast option of air travel?



– Companies that are shifting from air to rail travel to foster environmental sustainability –

Figure 22

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Rail or air travel?

“From what additional travel time will you allow your business travellers to use the faster option of air travel?”

Only those companies that are shifting from air to rail travel to foster environmental sustainability were surveyed on this topic. Shifting from air to rail travel on domestic routes within Germany remains the second most popular measure to promote sustainability (82%, Figure 19).

Most of these companies (67%) leave the decision up to the business travellers as to whether they want to reach their destination by air. In the public sector too, half of travel managers allow employees to choose whether to travel by air, rail or car. However, here too, 28% say that they do not allow for faster modes of transport. If the plannable journey time is more than an additional three hours, 14% of all respondents allow employees to choose the faster option of air travel, although it must be taken into account that airports are usually further away from the actual destination than the main train station and that additional time must be planned for time spent at airport security, for example.

This year, frequent strikes in Germany, both at Deutsche Bahn as well as at Lufthansa were the main drivers for travellers to shift to travelling by car. Sweden, the country that created the word “Flygskam” (flying shame) is now focussing on making air travel more environmentally friendly through investment in more sustainable technologies and fuels. The focus is on making air travel as environmentally friendly as possible rather than avoiding it completely.¹³

¹³ See <https://www.fww.de/business-travel/mobilitaet/fliegen-bald-klimafreundlich-schweden-erklaert-flugscham-fuer-beendet-241059>

European initiatives

In European cross-border rail transport, the EU announced in 2023 its support for ten pilot projects to establish new cross-border rail connections and to improve existing ones. The selected projects will primarily enable additional train connections between cities such as Paris, Amsterdam, Barcelona, Munich, Milan and Rome. The Commission wishes to double cross-border rail travel by 2030 and triple it by 2050 to fulfil the increasing demand for more environmentally friendly mobility. The pilot projects will show how barriers to the expansion of international rail travel can be overcome.¹⁴ To persuade more business travellers to shift to rail travel, offerings must become more transparent, easier to book and more reliable in terms of prices.

But it can also be difficult for travellers within the EU to combine different modes of transport across providers when they are planning and booking their trips. The Multimodal Digital Mobility Services (MDMS) initiative aims to overcome this challenge.

As a result, information, for example on transport flows, use of modes of transport and environmental impact can be captured and processed. This means that public transport, including rail transport, can be better integrated to achieve seamless multimodal travel and thus contribute towards implementing the European Green Deal. BT4Europe encourages the efforts of the EU institutions that are driving forward the MDMS initiative. After all, multimodality is an opportunity for sustainable, comfortable and affordable travel – now and in the future. But isolated systems make multimodal travel difficult. Currently, air travel in Europe is up to 30 times cheaper than train travel.¹⁵ The EU Commission's MDMS initiative is an internationally supported effort to turn a new leaf.¹⁶

Germany's business travel managers use the example of the "Deutschlandticket" to demonstrate that transformation is possible. This new offering has already become established due to its low price as well as easy booking and use. Almost one third of VDR member companies already offer it – some as a replacement and complement to their job ticket or as a new option for employees.¹⁷

¹⁴ See https://germany.representation.ec.europa.eu/news/neue-bahnverbindungen-fur-europa-zehn-eu-projekte-fur-mehr-grenzüberschreitenden-zugverkehr-2023-01-31_de

¹⁵ See https://www.greenpeace.de/publikationen/Preisvergleich_Dt_230720.pdf

¹⁶ See <https://bt4europe.com/webinar-bt4europe-webinar-on-multimodal-cross-border-travel-with-mep-jakop-g-dalunde-and-https://snowfalltravel.com/resources/press-room/blogs/what-is-the-multimodal-digital-mobility-services-mdms-initiative>

¹⁷ Find more information in the VDR survey: <https://www.vdr-service.de/aktuelles/einzelnews/deutschlandticket-setzt-sich-immer-mehr-durch>

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8 Work models

Options

“ Which of the following work models are allowed at your company? ”

The shift is complete: All companies surveyed say “yes” to working from home or remotely within Germany. However, this does not extend to all areas of work, frequency or maximum duration. 43% of companies allow or plan to allow (33%) their employees to work from abroad too.

In spite of all the administrative challenges, there are many benefits: On the one hand, it increases

employee satisfaction and retention, as they have more flexibility and freedom. On the other hand it improves employer attractiveness for skilled workers who want to work location independently. A stay abroad promotes intercultural skills among employees and can make sense as a preparation for future deployment by the company. And finally, companies can reduce the number of offices they have and thus save money. However, face-to-face meetings as a team remain essential. 69% of respondents also allow “blended” or “bleisure” travel when employees wish to extend their stay for private purposes in advance of or after their business trip.

Work models in companies

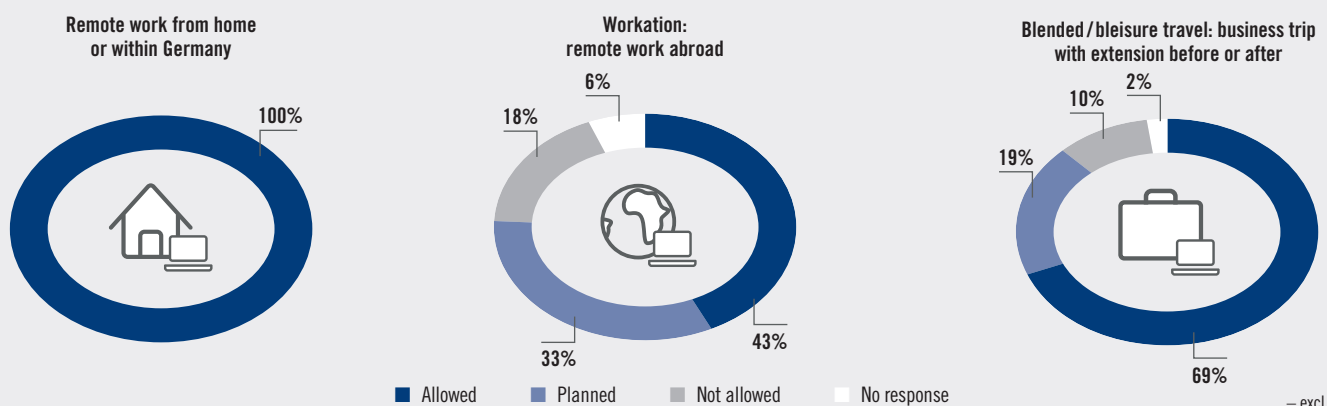


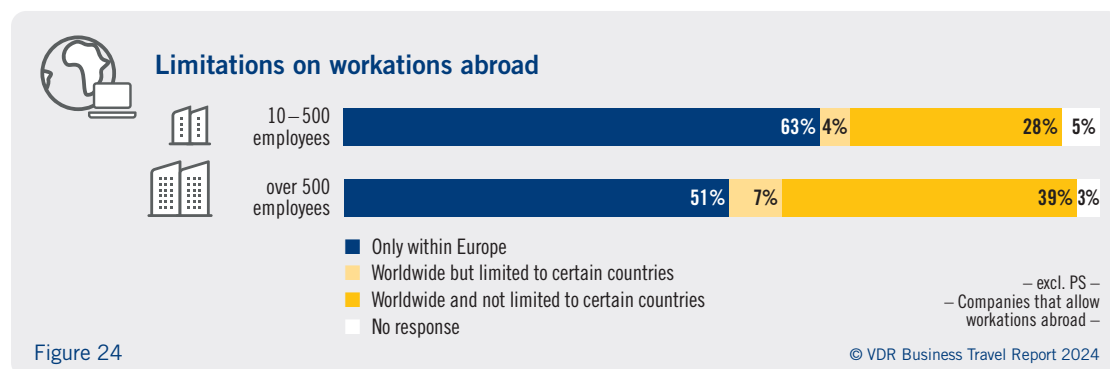
Figure 23

— excl. PS —
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Limitations on working from abroad

“ If your company allows workations abroad, where are your employees allowed to work from? ”

Larger companies are more generous in this area – possibly due to having their own subsidiaries and cooperation partners who are on other continents and cannot be in Europe. 39% offer full freedom to choose worldwide. 63% of smaller companies restrict this option to EU countries and in the public sector the majority of organisations only allow their employees to work within the EU (71%, not illustrated).

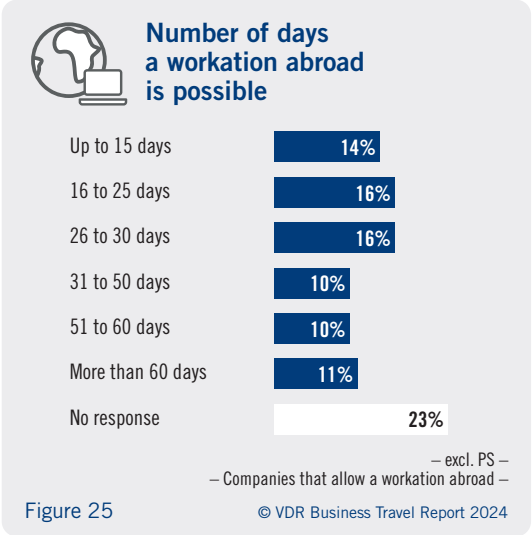


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Number of days

“ How many days in the year are your employees allowed to work remotely from abroad? ”

There is no one size fits all as the maximum duration differs quite considerably. Companies that allow remote working discuss with interested employees what makes sense for both parties. Thus the stay can be anything from a short two weeks up to more than 60 days. Legal requirements, tax and insurance matters play their usual role here. In summary, stays abroad to do remote work are possible for up to 30 days in almost half of companies (46%) and 31% currently allow it for longer than 30 days.

Generally, employee mobility is easier in the EU than elsewhere in the world, as citizens of EU member states have the right to choose their place of work within the EU and continue to have access to social benefits under certain conditions. Although EU citizens do not have to apply for a permit to stay for up to 90 days in another member state, they do have to obtain a confirmation of social insurance (A1 certificate) and, depending on their job, they must register with the local employment authority (EU registration). The fast application processes make it much easier to have people working within the EU, although they do still continue to represent a bureaucratic hurdle – also when it comes to workations.



9 Outlook

Business travel trends

“ How do you think the number of business trips made by your company will change in 2024 compared to 2023? ”

Regardless of company size, the number of business trips will rise this year. 54% of respondents, and in the public sector 65% (not illustrated), expect this to happen. The number of meetings, congresses of all sizes and events on offer, as well as demand for them, is currently increasing worldwide.¹⁸ A small minority of 3% of companies and 2% of Travel Management departments in the public sector plan to reduce business travel.

Business trips are experiencing a come-back, but it is a measured one. This trend is mainly driven by the strong international economy and the need to catch up after the pandemic. Trade fairs, meetings, conferences and events are the winners here – face-to-face contact has proven essential for companies. Business and private stays are being combined. The average trip duration has become longer, brief trips are on the decline. Overall, companies are adapting to the changing needs of their employees. Sustainability, efficiency gains and employee well-being remain in focus, in spite of the increasing cost pressure in all areas. The economy, the travel sector and the target regions will continue to benefit from the growth in business travel in the coming year.

Estimated development in number of trips in 2024 compared to 2023

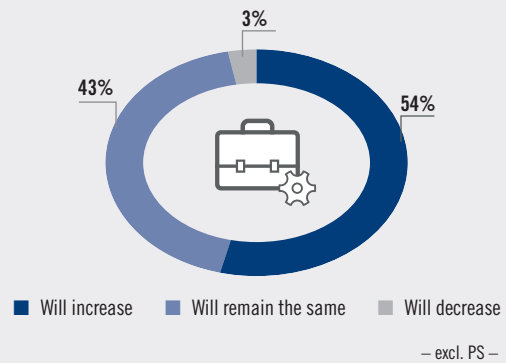


Figure 26

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¹⁸ See AMEX GBT Meetings & Events: 2024 Global Meetings and Events Forecast



Methodology and credits

Methodology

As in previous years, the statistical universe for the study is constituted by all businesses that have their headquarters in Germany - including those that have operations abroad - and organisations in the public sector with ten or more employees. On the basis of these features, the four different sectors - manufacturing/construction, services, trade and the public sector (PS) - are equally well represented. The same weight is given to the four different size categories.

Due to the differences between the private sector ("businesses"/"companies") and the public sector, most results are presented separately. The corresponding data basis is made clear in the respective passages:

- When reference is made to businesses or companies, the public sector is excluded ("– excl. PS –").
- When reference is made to organisations, this includes both companies/businesses and institutions in the public sector.

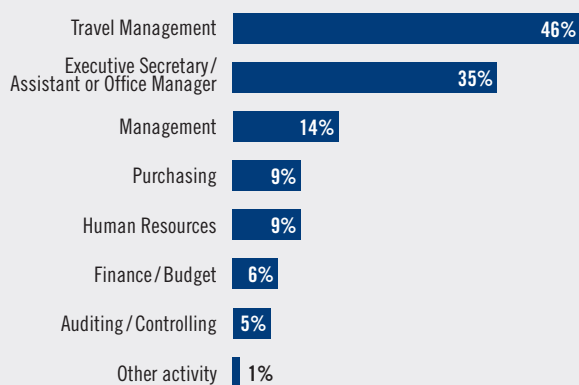
Number of organisations in Germany and their employees according to size categories and industry sector

	Organisational size categories (organisations with ... employees)									
	10–250		251–500		501–1,500		over 1,500		Total	
	Organisation	Employees	Organisation	Employees	Organisation	Employees	Organisation	Employees	Organisation	Employees
Total	480,486	17,202,498	10,076	3,484,418	4,980	3,968,571	1,462	4,317,649	497,004	28,973,136

Source: Our own calculations, in conjunction with statistics from the Federal Employment Agency, Data Centre, Nuremberg. Calculated based on NACE 08 (2022 and 2023) and NACE 03 (2008)
 Table 2

– Last updated: 2023 –
 – excl. organisations with 1–9 employees –
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Respondent areas of responsibility 2024



– multiple specifications possible –

Figure 27

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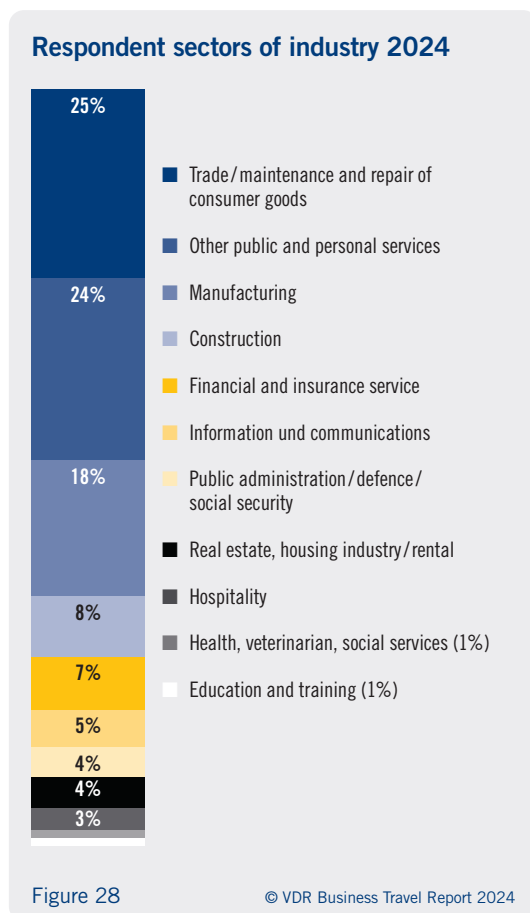
A random sample was taken from this statistical universe. Between January and April 2024, 800 computer-assisted telephone and online interviews were conducted with persons who are responsible for managing business travel or who are authorised by their organisations to provide the relevant data.

The responses to qualitative questions reflect the situation at the time of the survey, while all others are based on the 2023 figures. All extrapolations without reference to secondary sources are based on a special evaluation of the statistics of the German Federal Employment Agency (see Table 2).

Exact figures are used when calculating percentage changes (for example total annual expenditure on business trips). This explains why calculations using the rounded figures shown in the texts and charts sometimes lead to different results after the decimal point.

The following organisation size categories have been defined for this analysis:

- Organisations with 10–250 employees
- Organisations with 251–500 employees
- Organisations with 501–1,500 employees
- Organisations with over 1,500 employees



The research team

VDR, the publisher of this report, has since 2003 defined the basic structure of this analysis in consultation with its members and each year selects topical questions to be examined, some of them suggested by readers. Research for Future GmbH is responsible for the field work and scientific evaluation of the primary data, which is gathered by ARIS UMFORAGEFORSCHUNG Markt-, Media- und Sozialforschungsges. mbH. Antje Adam, Sandra Waldinger (VDR) and Claudia Mock (Research for Future) work with project manager Kirsi Hyvaerinen (HYVÄ Coaching & Consulting) on the expert analysis, reporting and organisational supervision of this study. Volunteers also contribute their expert knowledge to each year's report, including Inge Pirner and Olaf Lehmann from the Presidential Committee of VDR, as well as leaders of VDR expert committees as appropriate for each specific topic.

Verband Deutsches Reisemanagement e.V. (VDR)

VDR – The German Business Travel Association e.V. has stood for comprehensive expertise in integrated business mobility for the past 50 years. With over 600 member companies, it is Germany's largest network for mobility management. In dialogue with industry and policymakers, and in cooperation with national and international partners, the association represents the interests of companies that engage in business travel. The focus is on a regulatory environment in which business and organisational mobility are in an economic and environmental balance and which is reliable and secure.

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