



VDR

Business Travel Report Germany

2011

VDR

VERBAND DEUTSCHES REISEMANAGEMENT e.V.

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MAINTAINING AND SHAPING BUSINESS MOBILITY

The business travel and event industry is growing again; the (most recent) crisis is over. But the German economy can also thank the sound judgment of that industry's key players for its continued competitiveness. With professional interdisciplinary skills allowing them to handle the diverse demands of technology, travellers and the day-to-day business, travel managers help to maintain their companies' competitive edge. The growth in business travel volume forecast last year has now come to pass, with a further step-up anticipated in the future. And yet this should not open the floodgates for exploding costs – there's no going back to "business travel as usual". Sudden events are capable of reversing the state of the global economy virtually overnight. That's why active shaping of the conditions for successful business mobility management is needed on all levels – through

knowledge transfer, ideas and initiatives. VDR – The German Business Travel Association stood by its members as a farsighted and reliable partner during the crisis. In times of turnaround, it picks up on trends early on and sensitises travel managers to the new demands and challenges they will be facing.

What do the central business travel processes look like today, and how will they change in the future? Which skills and tools would travel managers like to have under their belt? Can mobile applications effect a "genetic change"? Take the time for a calm look back over past developments – and sharpen your awareness of the challenges to come – with the representative findings of this, the ninth, VDR Business Travel Report.

The key data:

- ◆ In 2010 there were 8.1 million business travellers.¹
- ◆ 154.8 million business trips led to spending in the amount of
- ◆ 43.5 billion Euros translated into
- ◆ 127 Euros per business traveller per day.

	2009:
- 6.8%	8.7 million business travellers
+ 6.7%	145.1 million business trips
+ 5.7%	41.1 billion Euros
- 10.4%	142 Euros

Cautious growth

To an even greater extent than the economy as a whole, the business travel market showed signs of recovery in 2010. Last year 60% of those affected by the economic and financial crisis indicated that travel restrictions would continue to be in place and alternatives sought despite the upswing. This prudence enabled travel managers to protect their companies from automatic cost escalation. Are we witnessing a turning point, with travel managers playing a stronger role in shaping business mobility? (Figures 1, 2 and 5, Table 1, pages 5 and 7).

Large companies demonstrate efficiency

In terms of company size, business travel has picked up particularly among the smaller businesses. Larger companies by contrast have acted cautiously and increased their travel volume only by 1.8%. And they have done so efficiently: despite their higher travel volume, larger companies managed to reduce travel spend by 3.8%. A similar picture can be seen in the public sector: large organisations have kept costs down (+0.7%), while the smaller ones found this more difficult (+8.6%) (Figure 2, page 5).

European scenario becomes a reality

As VDR predicted in various places, the demand for regional services and products is climbing. As a consequence, Europe has been gaining market share amongst German business travellers ever since 2005. Up to now, mainly domestic destinations have noticed a substitution effect through technology-assisted travel alternatives (Figure 4, page 6 and the VDR Business Travel Report 2009, Section 7 "Development of business travel volume – expectations for 2009 and subsequent scenarios").

With a cherry on top

Longer trips, more overnight stays and increased bookings in the 4- to 5-star categories – business travellers are compensating for years of going without any luxury on the trip there and back by enjoying a more pleasant stay at their destination (Figures 7 and 9 page 9 f. and the VDR Business Travel Report 2010, Section 4 "Air travel booking classes").

Dream versus reality?

Nine out of ten travel managers in general advocate the use of a travel management system. And yet, "on the other end of the line" are frequently the suppliers themselves (Figures 18 and 20, pages 16 and 17).

Trend toward mobile services

Visiting a business partner without a mobile phone in hand? A three-day business trip with no online access? Not so long ago, that used to be the rule – but today, it's simply inconceivable. Business travellers put trends like mobile applications on their smartphones to the acid test. Three out of five travel managers at German companies believe that mobile applications deliver added value – and are ready to pay for sound solutions offering solid benefits (Figures 13 to 15, page 13 f.).

Trust is good, control is better

Growth is in sight for the coming year as well, but business trips remain a matter for executive attention. There is still money to be saved in the area of overnight stays, because fewer than half of all companies exert control over accommodations costs throughout the year (Figures 11, 12 and 25, pages 11, 12 and 19).

Beam me up, Scotty!

We're still light years away from teleportation à la Captain Kirk – but seamless chains of travel services will nonetheless gain in importance in future for the majority of travel managers. They want to book a business trip from a single source, via one channel or one supplier only. "Spot buying" with globally integrated mobile applications and influencing business travellers "anytime, anywhere" can't be far off (Figures 22 to 24, page 18).

¹Employees of a company or public-sector organisation who take at least one business trip a year.

Quantity

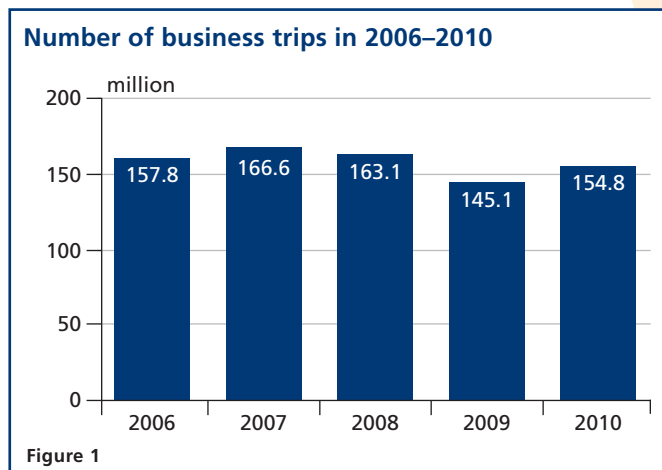
The German economy once again saw healthy growth in 2010. The 3.6% rise in gross domestic product (GDP) adjusted for prices was the strongest since reunification. Just one year ago, Germany experienced its worst recession in the post-war era, with GDP adjusted for prices taking a nosedive of 4.7%.²

To a still greater extent than the economy as a whole, the business travel market began to recover in 2010. After a decline of 11% in the year of the recession, the number of business trips in companies with ten or more employees went up by 6.7% from 2009 to 2010. A five-year overview reveals, however, that the level reached in boom year

2007 has by no means been regained yet. One lesson learned from the crisis is apparently to reduce business travel.

“How many business trips were undertaken in your business/your organisation in 2010?”

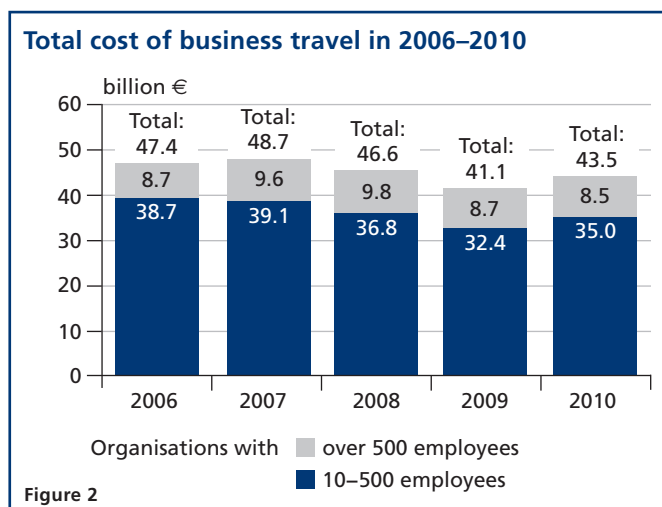
Dividing businesses into two size categories and leaving out the public sector, business trips have increased above all in smaller companies³ – by 9.1%. Larger firms with more than 500 employees have reacted with great caution, allowing travel volume to rise by only 1.8%. In the public sector, the volume growth seen last year due to the windfall of the economic stimulus package stagnated in 2010.



Costs

“How high were total business trip expenses in 2010?”

With a rise of 5.7%, overall business travel costs went up to a lesser degree than the number of trips. Costs totalled 43.5 billion Euros, still lower than in previous years. As already suspected in the turbulent year 2009, a recovery in demand does not automatically mean a return to previous business practices – in synchrony with the economic upswing.⁴ It remains to be seen in the coming years whether the level of travel spend in 2006/2007 will be attained again, or whether, instead, a turning point has come: toward a greater role played by management in shaping business mobility.



Larger companies with over 500 employees have demonstrated efficiency: despite their higher travel volume, they managed to reduce travel spend by 3.8%. A similar development was seen in the public sector: large organisations were able to keep costs in check (+0.7%), while the smaller ones found this difficult (+8.6%).

Note: Any journey undertaken for purposes of business that is recorded on the basis of 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 as business travel expenses, they are counted in these figures. For further definitions of the terms used here, please see the VDR Business Travel Reports from 2003–2006 (German originals).

²See press release published by The Federal Statistical Office, Wiesbaden, 12 January 2011.

³Small- to medium-sized enterprises (SMEs) are companies with 10 to 250 employees. When we speak of “smaller businesses” in this analysis, we mean companies with 10–500 employees. See VDR Business Travel Report 2006, p. 40 “Begriffserläuterungen A–Z” (German original).

⁴See VDR Business Travel Report 2009, Section 7 “Development of business travel volume – Expectations for 2009 and subsequent scenarios”.

Duration

“How long do business trips last?”

Business trips were much longer in 2010, increasing to an average 2.4 days. One in five trips lasted four days or longer. This reflects a need to catch up on foreign travel, but also the consolidation of separate trips into longer ones. Business trips without overnight stay were at a low last seen in 2005. A further reason for longer trips overall can be found if we take a closer look at the destination regions.

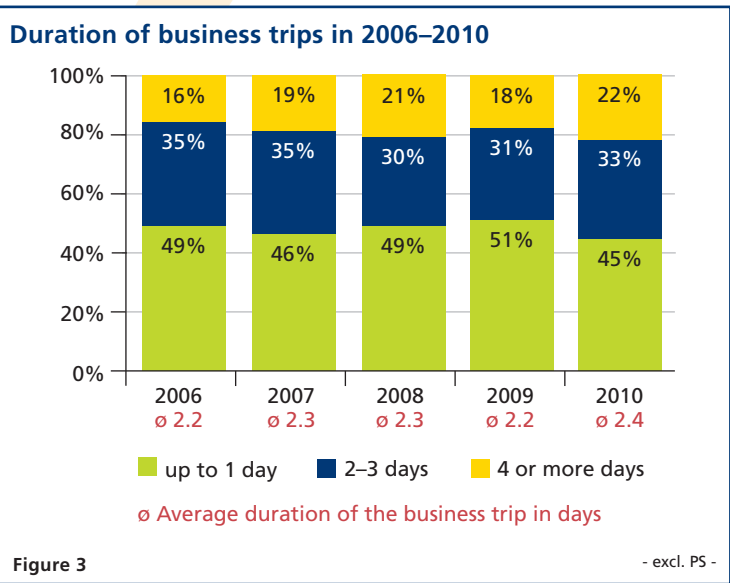


Figure 3

- excl. P5 -

Destination regions

“How are business trips distributed between the destination regions Germany, Europe and intercontinental?”

Domestic trips still make up the lion’s share of German business travel. Compared to 2005, however, European travel has also picked up substantially (by 33%). Intercontinental destinations saw a 3% rise.

Total number of business trips by destination region in 2005/2010

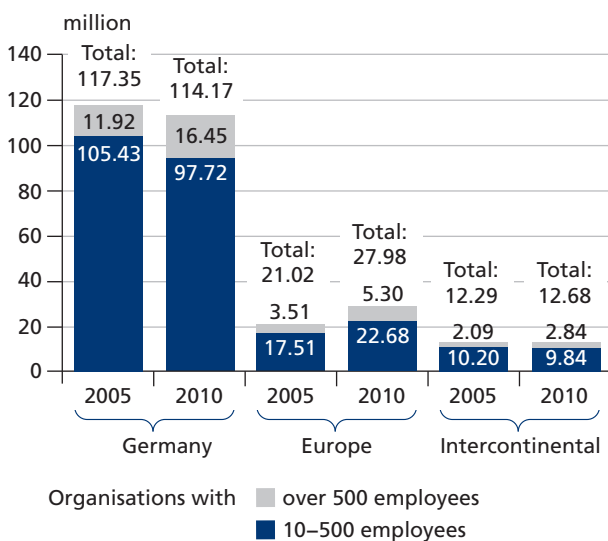


Figure 4

Although the USA and China were named as the “most important” foreign business destinations in 2010, travel volumes are increasingly being distributed among the countries of Europe – with eight of them making the hit list of destinations abroad.⁵ Large companies with over 500 employees made an above-average contribution to this development. Their trips to European destinations were up by 51% this year. Smaller businesses undertook fewer business trips on the whole in a six-year comparison. Growth was witnessed only for European travel.

In the public sector 87% of travel took place within Germany, and 13% abroad. Compared with 2005, trips abroad have gained in significance.

⁵See VDR Business Travel Report 2010, Section 5 “Destination countries”.

Average cost of business travel

One of the most interesting developments can be seen in the average cost of a business trip: it has gone down continuously since 2006. By 2009, a strong reduction in travel volume seemed to mean that the savings options had been exhausted, and average costs stagnated. In “year one” after the recession, however, the negotiating power of travel managers is once again coming to the fore. The number of business trips has gone up and expenditures have been kept in check, leading to a further 2% reduction in average costs.

“What is the average cost of a business trip?”

Average cost per business trip in 2006–2010

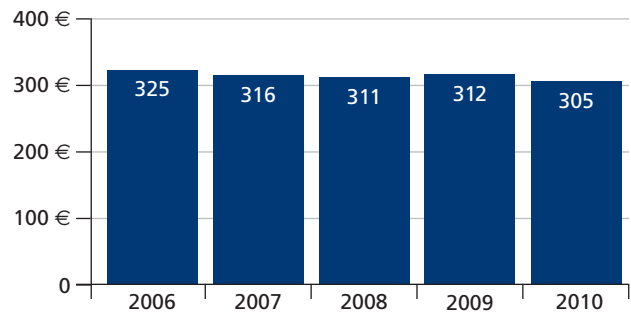


Figure 5

- excl. PS -

**“What did companies spend on average for business travel?”
“What influence does travel management have on travel spend?”**

Average business travel spend in 2009/2010

Companies with	Average business travel costs		Change...		Share of companies with travel managers in 2010
	2009	2010	in average business travel costs	in average business travel volume	
10–500 employees	96,000 €	103,000 €	+7%	+8%	25%
over 500 employees	2,250,000 €	2,221,000 €	-1%	+4%	56%

Table 1

- excl. PS -

Spiralling prices in a recovering economy put travel managers under pressure. But they have met the challenge professionally. In larger companies average travel costs largely remained stable even though suitcases were being packed more often. In smaller businesses with up to 500 employees, costs more or less kept pace with business travel volume.

A comparison between business and holiday travel⁶: total costs and daily expenditures in 2006–2010

Key figure		Business travel	Holiday travel
Total costs per year	2010	43.5 bn. €	54.8 bn. €
	2009	41.1 bn. €	53.1 bn. €
	2008	46.6 bn. €	53.3 bn. €
	2007	48.7 bn. €	50.9 bn. €
	2006	47.4 bn. €	53.9 bn. €
Daily expenditure per person per day	2010	127 €	70 €
	2009	142 €	67 €
	2008	135 €	67 €
	2007	137 €	65 €
	2006	148 €	66 €

Table 2

Germans kept a tight hold on their purse strings during business trips in 2010, only to then splash out when on holiday. Business travel expenditures were planned prudently and distributed over several days: a business traveller spent an average of 127 Euros per day in 2010. At the same time, more holiday flights and hotel stays, while the average duration of the trips remained the same, resulted in the highest amount of holiday expenditures since 2006.

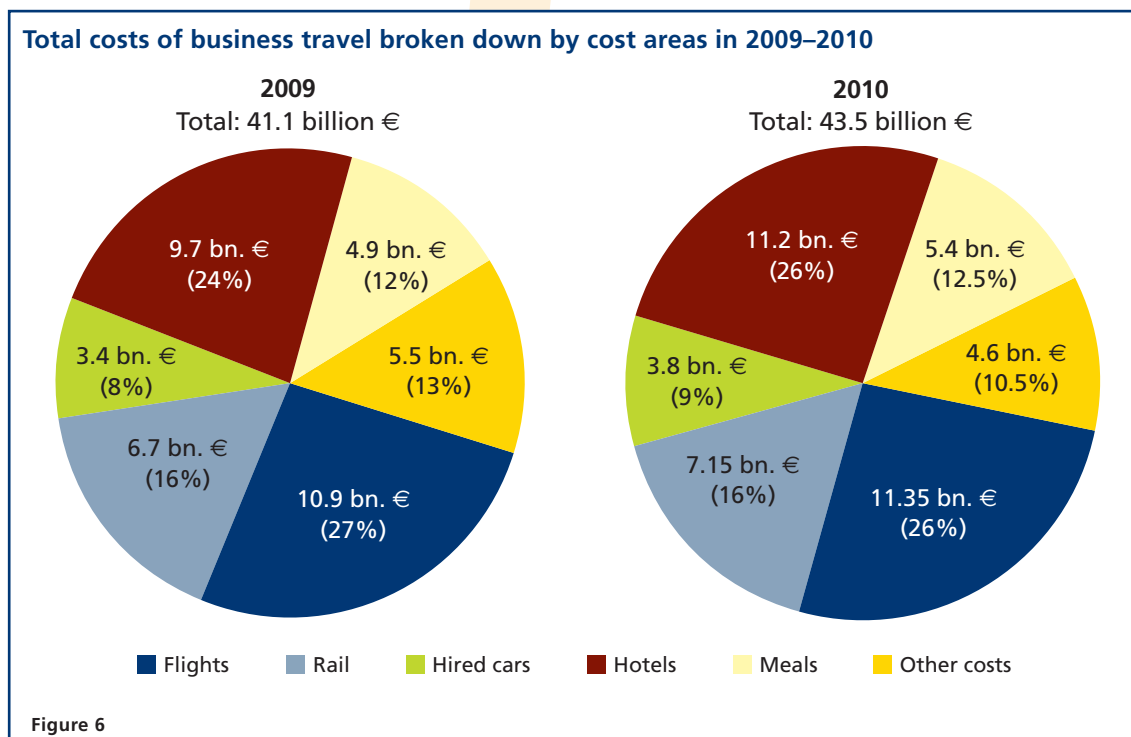
⁶Own calculations based on F.U.R, Hamburg/Kiel: Reiseanalysen 2007–2011. Business trip expenditure per person per day: only businesses, excluding public sector. Holiday trips lasting 5 days or longer. To enable comparisons, the statistical universe “Germans” is used starting with the 2011 report.

Cost areas

Taking the long view, the structure of business travel spend has remained stable. Suppliers have all felt the positive effects of the upswing. Expenditures on rail travel and meals even surpassed the 2008 level. Companies continue to steer their travellers into the Economy and Premium Economy classes for intercontinental flights and to put up resistance to the extra costs charged by airlines for ancillary services.

The money spent on overnight stays has gone up by 15.5%. This increase reflects the greater number of business trips being taken, their longer average duration and a loosening of restrictions on the multiple-star hotel categories. Car hire companies did marginally better this past year. And the restaurant business is doubtless one of the winners following the crisis: business travellers consumed one billion Euros more in food in 2010.⁷ A welcome development from the management point of view is that the miscellaneous area of "other costs" could be effectively pruned this year, sinking to the lowest share since 2006.⁸

"What were the totals for the different cost areas in your company/your organisation?"



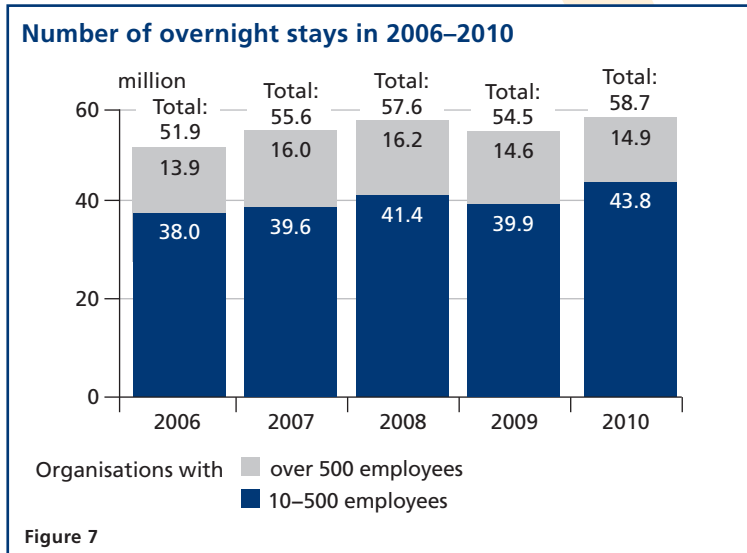
⁷See seasonal tourism survey conducted in spring 2010 by the Deutscher Industrie- und Handelskammertag (DIHK): "Erwartungen an die Sommersaison 2010 – Bilanz der Wintersaison 2009/10".

⁸To find out which costs fall under this category, see the VDR Business Travel Report 2010, Figure 6, page 8.

4 OVERNIGHT STAYS

Development of overnight stays and turnover

“How many overnight stays⁹ did the business trips taken for your company/your organisation include?”



In 2010 business travellers for German organisations made 7.7% more overnight stays than in the previous year: the overall number rose to 58.7 million. Longer trips took on renewed importance. Although travellers in smaller companies with 10 to 500 employees stayed overnight more often than in any year since 2006, no cost explosion took place on the overall market.

“How is the number of overnight stays distributed between domestic and foreign accommodations?”

The distribution pattern for business-related stays in Germany and abroad has not changed: two out of three room nights are booked in domestic accommodations. German business travellers spent a total of 39.8 million nights in domestic accommodations in 2010, reaching the level seen in 2008. Smaller companies with up to 500 employees accounted for a plus of 2.3 million.

While foreign travel was still strictly curtailed last year, accommodations abroad have now made their way back to the double-digit growth rates they enjoyed before the crisis (+17.4%).



⁹Number of overnight stays = room nights.

“What turnover was generated by overnight stays?”

Turnover for overnight stays (room nights) by business travellers in Germany and abroad in 2007–2010

Turnover	2007	2008	2009	2010
Germany	8.6 bn. €	8.0 bn. €	6.85 bn. €	7.7 bn. €
abroad	3.1 bn. €	3.5 bn. €	2.85 bn. €	3.5 bn. €

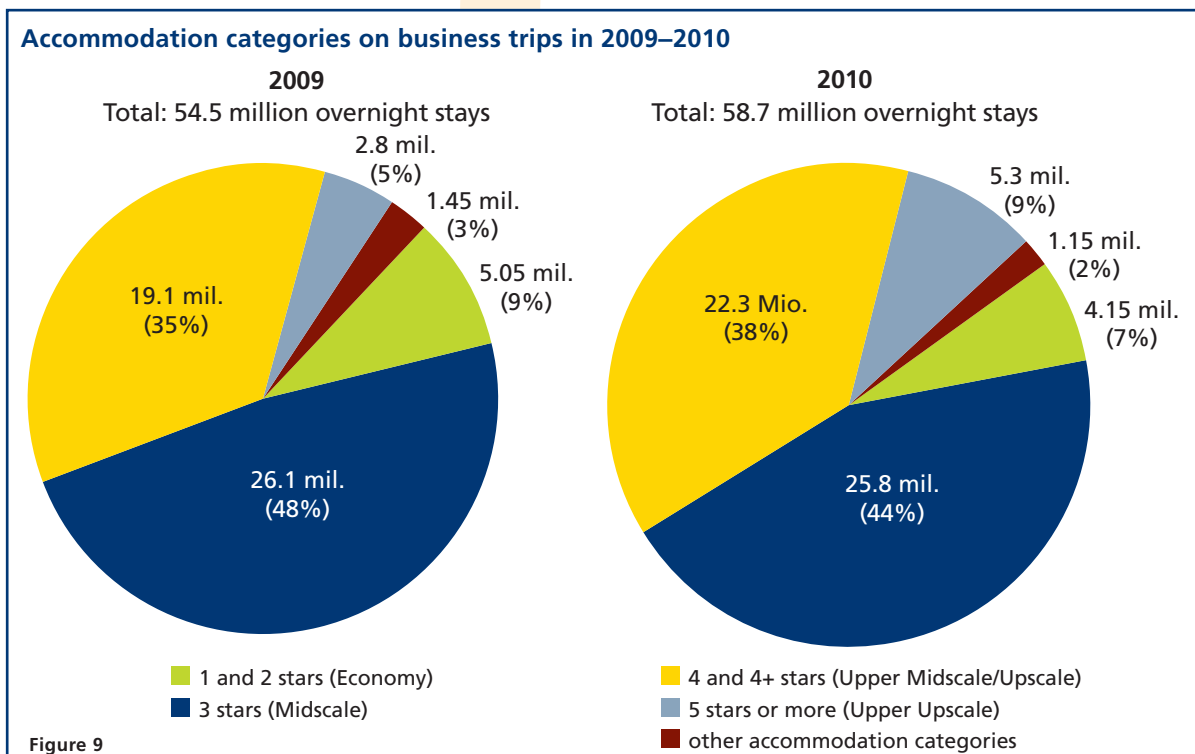
Table 3

With regard to turnover, German hotels did better in percentage terms than the mere volume growth would indicate. While overnight stays were up in 2010 by 3.6% over 2009, there was 12.4% more money in the cash register. Due to the strong pressure on turnover between 2007 and 2009, German hotels have raised their prices again. Outside Germany, turnover rose by 22.8%, with 17.4% more room nights. This development can be attributed in a part to a shift toward higher hotel categories (see Figure 9).

The average worldwide cost of an overnight stay, taking into account all types and categories of accommodations, went up by 5 Euros in 2010 to 126 Euros (+4.1%).¹⁰

Accommodation categories

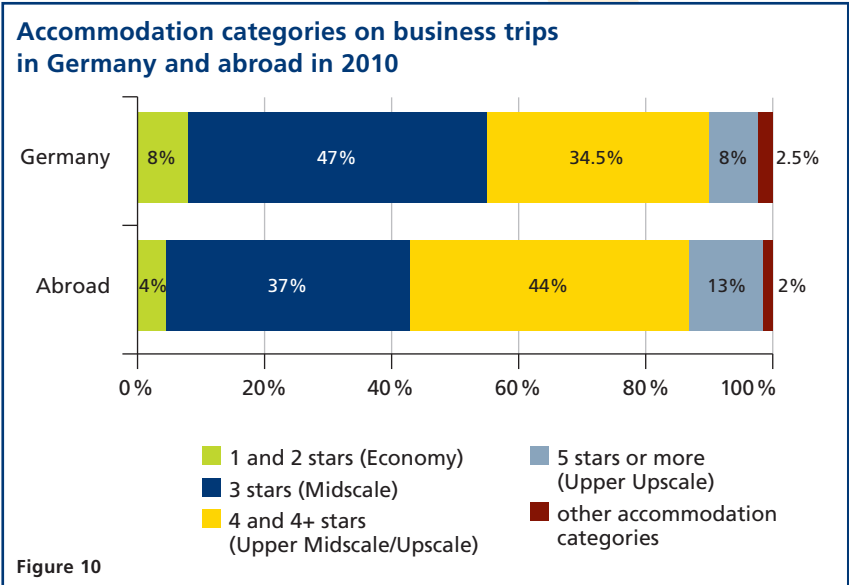
“Which accommodation categories are booked by your business?”



A marked shift was seen in accommodation categories toward 4-star hotels. And nearly twice as many travellers as in the past four years went for “Upper Upscale” hotels with 5 stars. After already suffering a “blood-letting” between 2008 and 2009, with three million fewer room nights, the 3-star hotels have ceded further ground. Bookings have likewise declined in 1- and 2-star hotels and the “other” categories.

¹⁰ Wherever data on the number of overnight stays as well as the costs could be provided, this was used for the calculation. A calculation based on total overnight stays and turnover as well as a forecast of differentiated average prices between Germany and abroad is not possible.

Business travellers in the public sector are generally booking accommodations with 3 stars or fewer more often (60%). But here as well a general shift has taken place within the past year toward higher categories.



For domestic trips in particular, the higher-category establishments welcomed more German business travellers this past year. When Germans take business trips abroad, they also tend to stay – as in past years – primarily in 4-star hotels. In 2010 foreign 5-star hotels profited from a jump of five percentage points in the number of German guests. The overall picture has hardly changed, though: stays in 4- or 5-star hotels made up 57% of all room nights abroad in 2010, while in 2009 the share was 56%.

Controlling accommodation costs

Controlling of hotel costs during the year, which would allow travel managers to recognise any variances from the target, is conducted in fewer than half of all companies. And yet a semi-annual or quarterly check to ascertain any deviation from the targeted annual accommodation costs would certainly facilitate effective cost control.

Many companies are perhaps lacking the proper tools for consistently and transparently tracking the often difficult-to-standardise area of hotel costs. Differences between domestic and foreign accommodations, in the way management information is supplied by chains or individual hotels, as well as varying price strategies and brand changes can make controlling difficult.

“Do you use a controlling system to keep track of accommodation costs during the year?”



Deployment of travel management

“Who establishes travel policy in your company, negotiates with travel agencies and suppliers, steers and controls travel spend?”

Responsibility for core business travel management tasks in 2007/2011

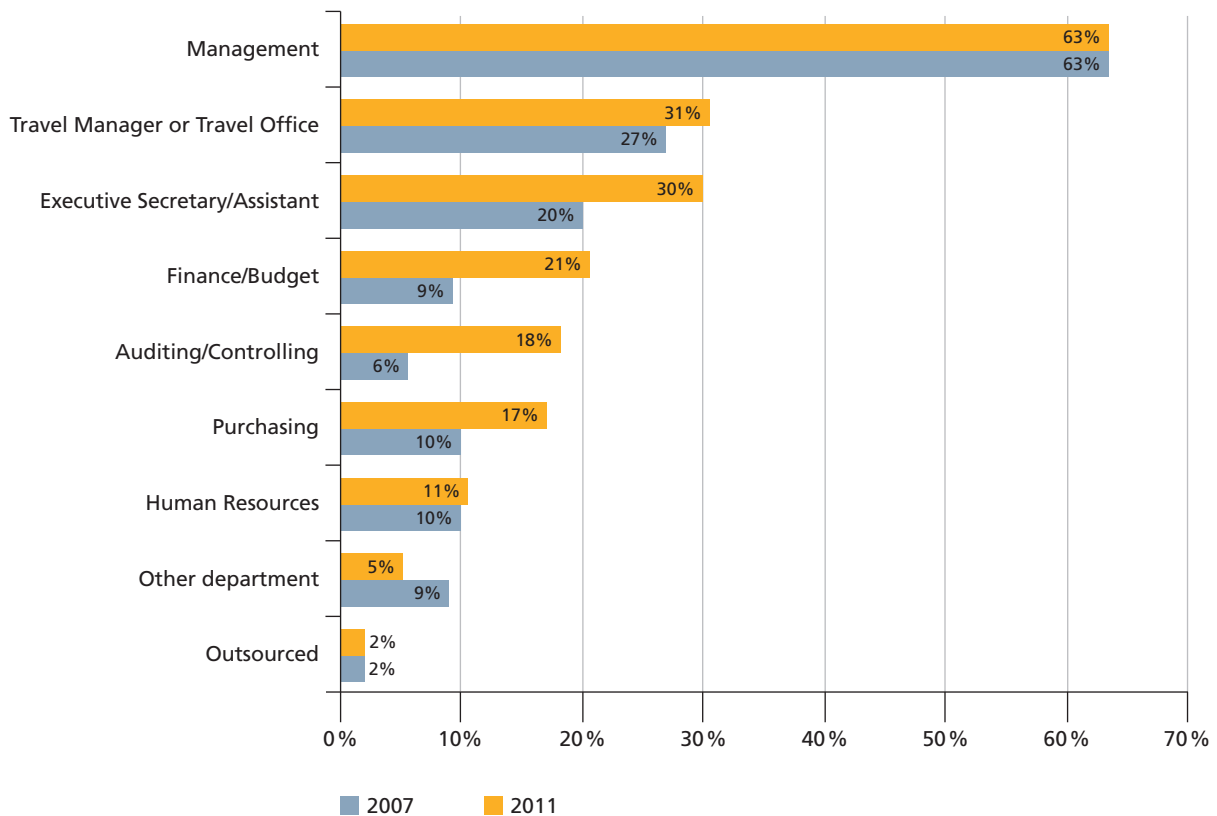


Figure 12

- excl. PS -
- multiple choices possible -

Business travel remains a management issue and – particularly at SMEs – executive secretaries are increasingly assuming the role of competence centres for the core travel management tasks. Their significance has gone up four percentage points over last year. In 63% of companies with over 1,500 employees, travel management is today defined as a separate area of responsibility. In view of its impact on costs, more and more finance departments also have a say in travel management – in 2011 one in five.

Mobile applications¹¹

“Do you think mobile applications offer added value for your business travellers?”

Business travellers are trendsetters and added-value testers for all of those technological success stories we can no longer imagine living without: mobile phones, laptops, wireless networks, web and video conferencing, and other innovations designed to facilitate doing business on the go. Overall, three out of five travel managers in German companies agree that mobile applications (“apps” for short) deliver added value for their travellers.

In 2010 German mobile phone users loaded some 900 million apps onto their smartphones. Nearly 90% were free of charge. With 110 million fee-based applications on offer, a turnover of 357 million Euros was made in 2010 (+88% compared to last year). The average price was 3.25 Euros.¹² But are companies also willing to pay for apps? After all, switching processes and integrating new software costs money.

Opinion on added value offered by mobile applications

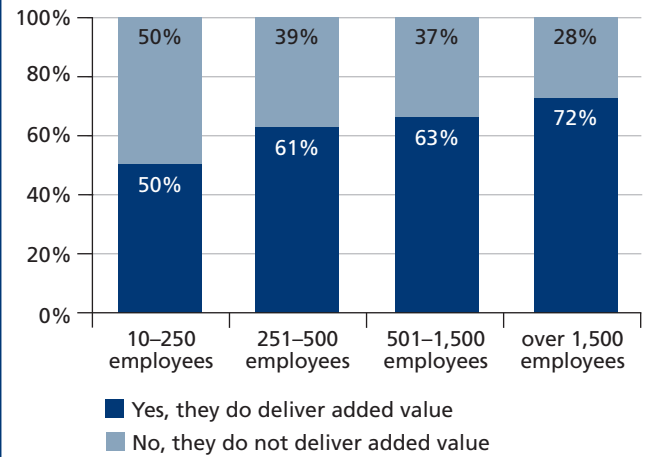


Figure 13

- excl. PS -

Willingness to pay for mobile applications

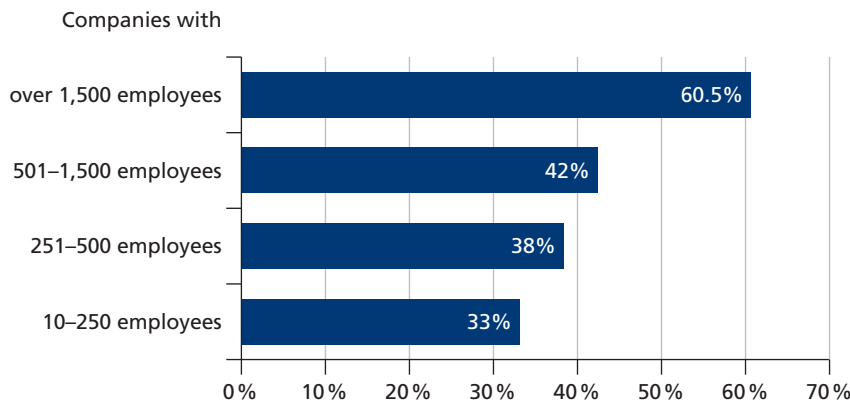


Figure 14

- excl. PS -
- only companies that believe mobile applications deliver added value -

“Would your company be willing to pay for such mobile applications?”

Of those companies that believe the new apps deliver added value, nearly half (44%) are prepared to shell out to equip their business travellers with useful mobile applications. These might be used for example to book, cancel or change travel plans, or to access important information en route, such as traffic reports or news of delays.

The willingness to pay increases with the size of the company. In the public sector one in three organisations (34%) answered this question affirmatively.

For practical assistance in deciding what they really need, companies can turn to VDR’s Technology Committee. The committee members examine available offerings to see whether they respond to the needs of IT and travel managers and are also user-friendly. At its 2011 Spring Mobility and Travel Management Conference, VDR found out that business travellers today are mainly looking for mobile applications with consolidated information concerning their trip. The committee is currently putting together a VDR checklist to support companies when introducing mobile travel applications.

¹¹ Information and communication services that can be used on personal mobile devices such as mobile phones (so-called “smartphones”) or PDAs.

¹² See Bundesverband Informationswirtschaft, Telekommunikation und neue Medien e.V. (BITKOM): press information from 14 February 2011.

“How will the importance of mobile applications for business travellers change in the next three to five years?”

One thing is clear: German travel managers believe that business mobility will in future increasingly be managed using smartphones. That’s the conclusion drawn by eight out of ten respondents. In addition to the growing availability of apps, the driving force behind this development is above all the fusion of users’ work and leisure-time online habits: interactivity and social media have simply become part of everyday life. An additional driver is the opportunity to make more productive use of travel time.¹³

Future outlook for mobile applications

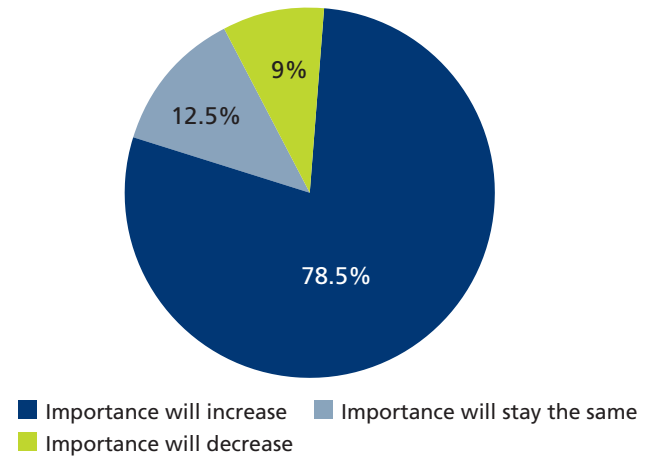


Figure 15

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Use of credit cards

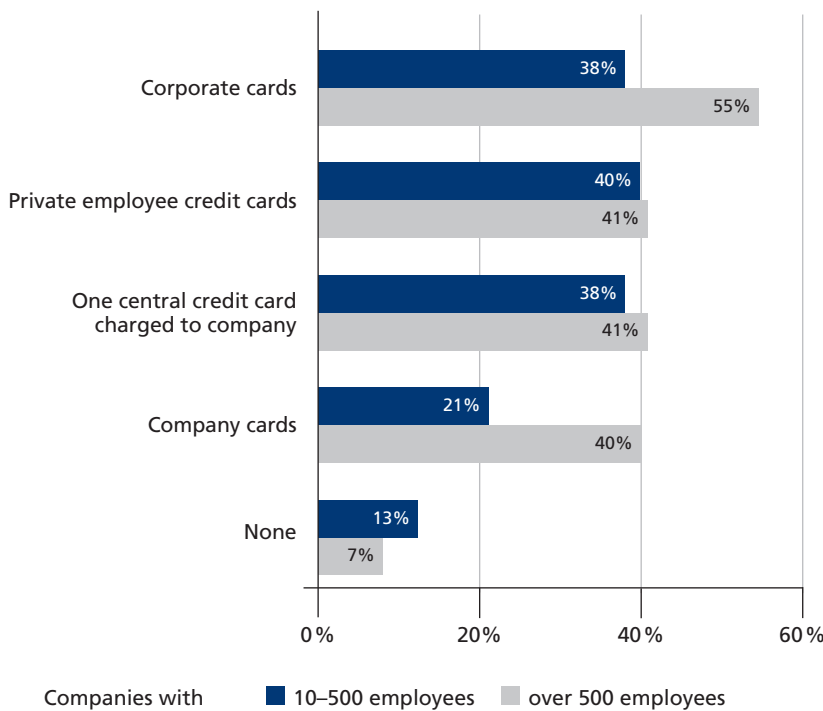


Figure 16

- excl. PS -

- multiple choices possible -

Credit cards

“Does your company use credit cards for travel expense accounting?”

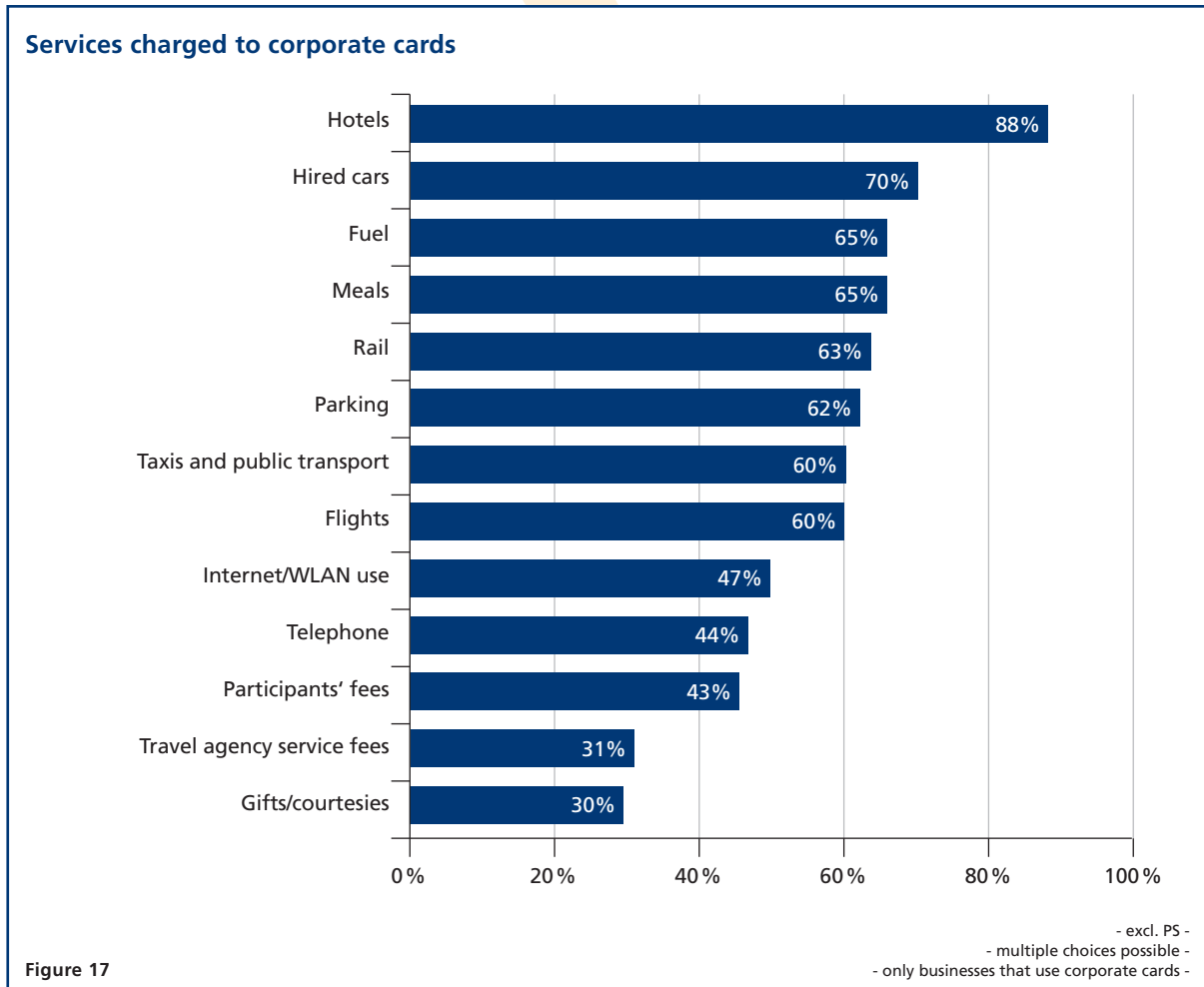
Over half of the larger companies surveyed (55%) make use of “corporate cards”, i.e. personal credit cards where the traveller is cardholder. The amount may be first charged either to his private account or the company account, even though the invoice is addressed to the employee. In smaller companies in particular, so-called “company cards” play only a minor role these days. These ensure the centralised expensing of travel services by booking them to a credit card stored with a travel agent.¹⁴

In companies with a separate travel management department the use of corporate and company cards is in general much more common.

¹³See BCD Travel: Changing the DNA of Managed Travel, White Paper, Utrecht 2010 and a press release issued by Heilbronn University titled: “Wie verändern mobile Applikationen den Geschäftsreisealltag?”, Heilbronn, March 2011.

¹⁴See VDR glossary at www.vdr-service.de.

“Which services does the traveller pay for with a corporate card while on a business trip?”



Looking at the two major cost blocks of hotels and flights (see Figure 6), differences in payment method are apparent: in 88% of companies that put corporate cards at the disposal of their business travellers, the card is used to pay for overnight stays. In companies with a special department devoted to travel management, smaller items such as internet use, phone, taxis and participants' fees are also frequently paid using corporate cards.

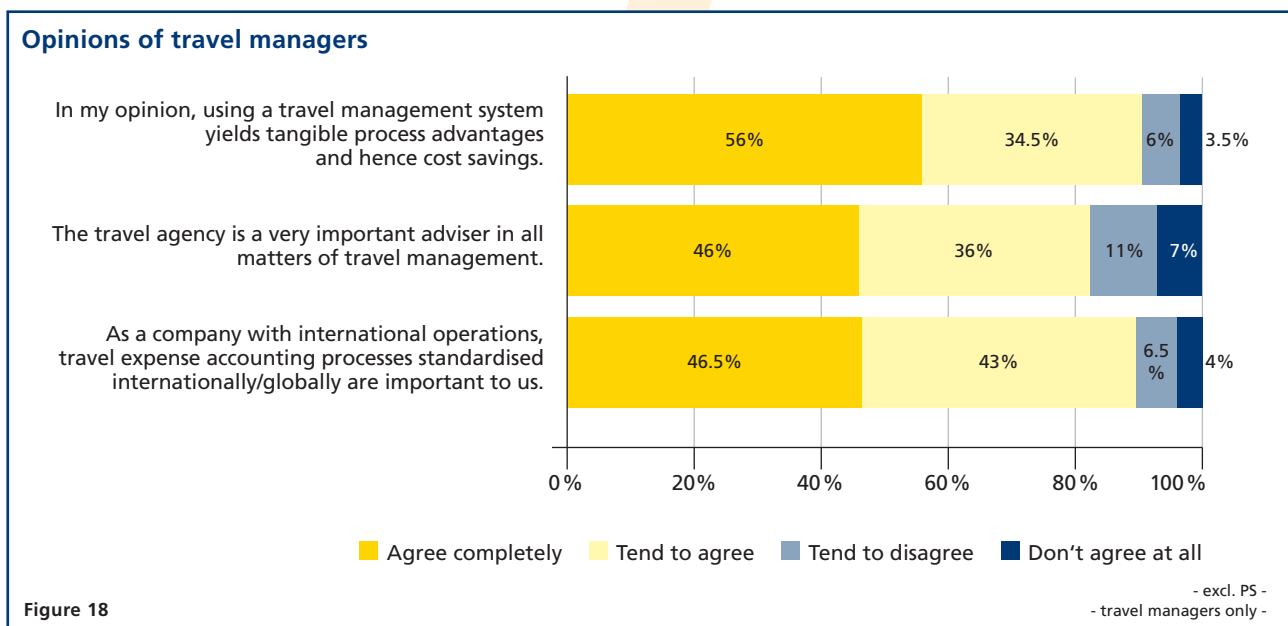
Although 60% of businesses use corporate cards to pay for flights, company cards are used more frequently for this purpose in the bigger companies, as flights are more often booked with the help of a travel agency.

Opinions of travel managers

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

Nine out of ten travel managers advocate in general the use of a travel management system. But machines can't do everything: 82% view travel agencies as a very important source of advice – in all matters concerning business travel management. Of the companies with international operations, a clear majority believe that standardised processes for travel expense accounting are important, no matter where these costs are incurred. These results demonstrate just the opposite of the trend reported in the past two years – that travel managers were often involved in routine tasks and general administration.

Modern technologies and competent travel agent partners working together efficiently for the benefit of corporate clients and their business travellers can save time that can then be devoted to more important matters.

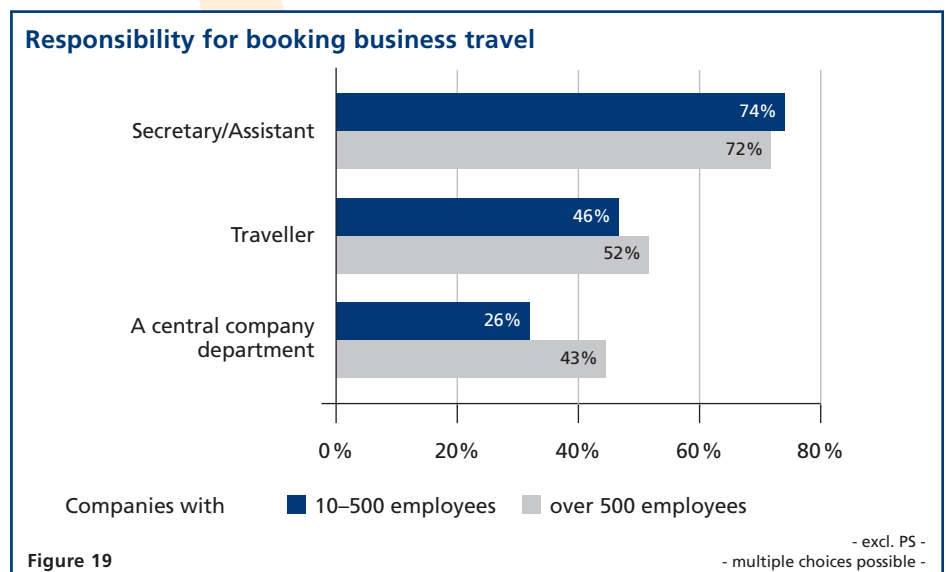


6 BOOKING CHANNELS

Responsibility

“Who books business trips in your company?”

Once a trip has been planned, an assistant usually carries out the actual booking in most companies. Half of business travellers also book their own travel. In 43% of the larger companies and one in four of the smaller ones, there is a special travel department. Depending on the corporate travel policy, the tools available, as well as the complexity and urgency of the trip, several departments or persons may be involved.



Booking recipients

“Where are business trips booked?”

“On the other end of the line” today is usually the hotel, airline, rail service or car hire company. They might be contacted via a website, email, phone or fax, or using a ticket machine or mobile application.

The trend seen in past years toward online bookings still continues. A stationary travel agency receives somewhat over half of all bookings today, although a closer look at exactly which services are being booked would lead to very different conclusions.¹⁵ In larger firms, online travel agencies are used about as often as stationary ones – 57% of the time. These are followed by specialised online travel service providers such as Flug.de, Hotel Reservation Service (HRS), hotel.de, ehotel.de, mietwagen.de.

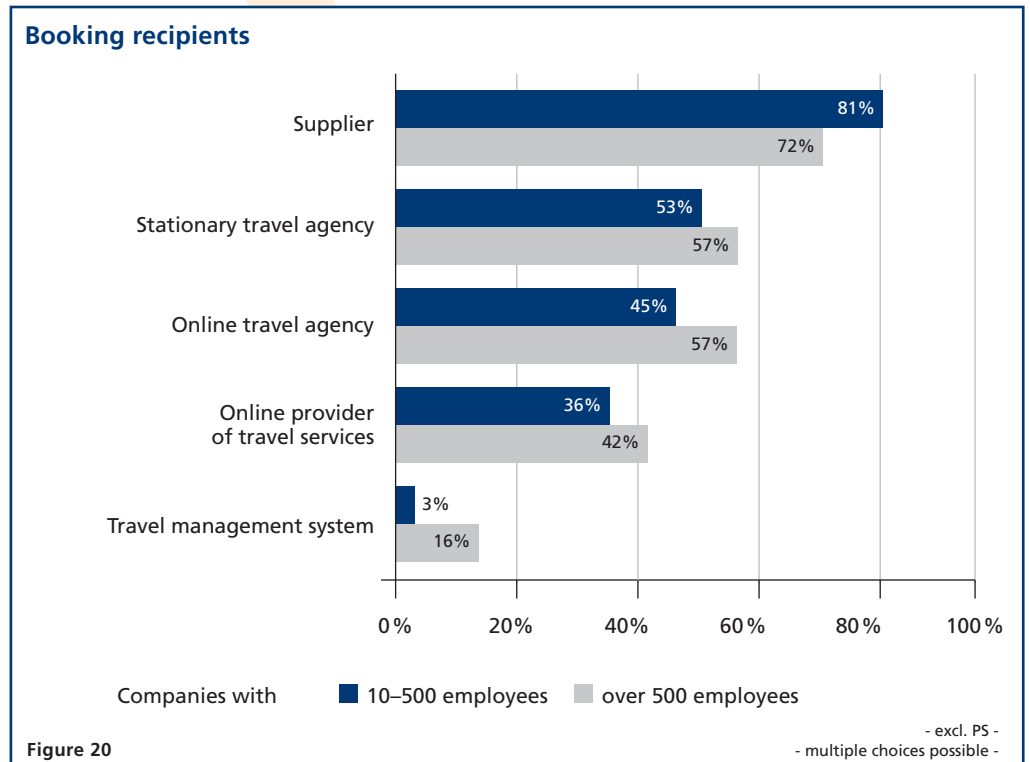


Figure 20

Booking channels for accommodations

“Does your company require that a specific booking channel be used for hotels?”

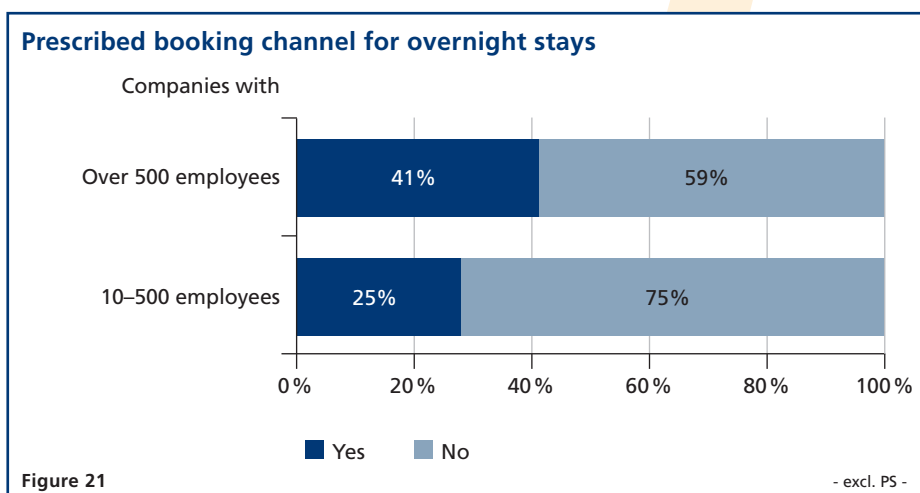


Figure 21

Most businesses do not prescribe a particular booking channel for accommodations. In larger companies there is often a travel manager or travel policy, which is why a greater share prescribes a specific booking channel (41%).

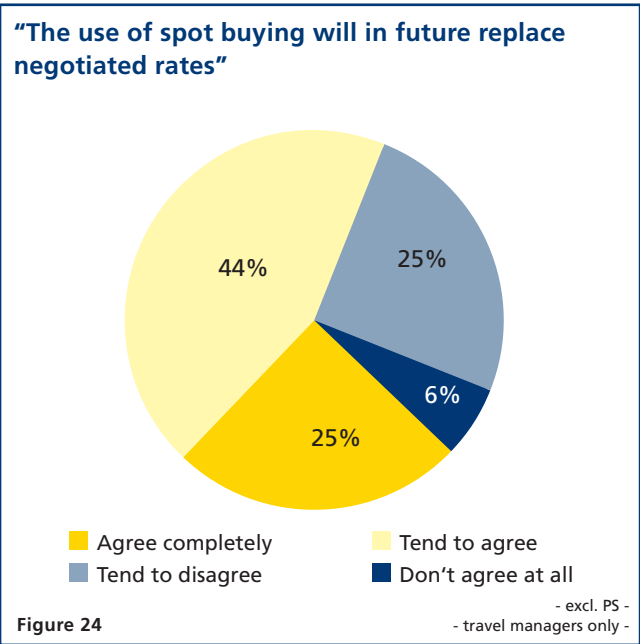
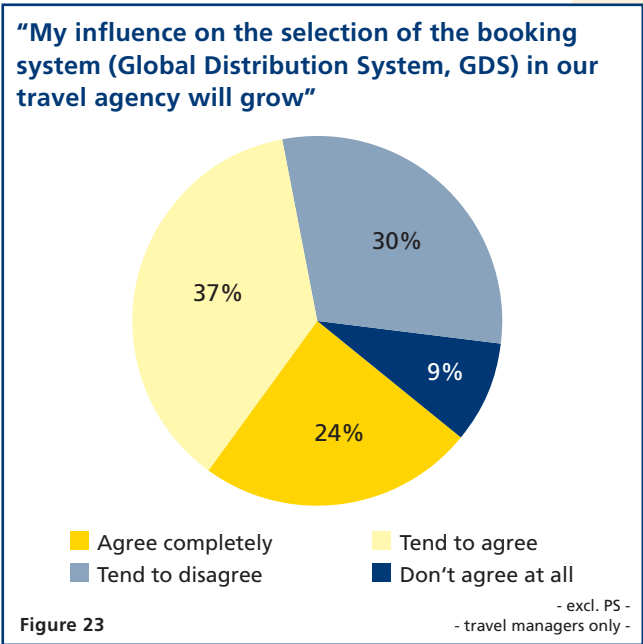
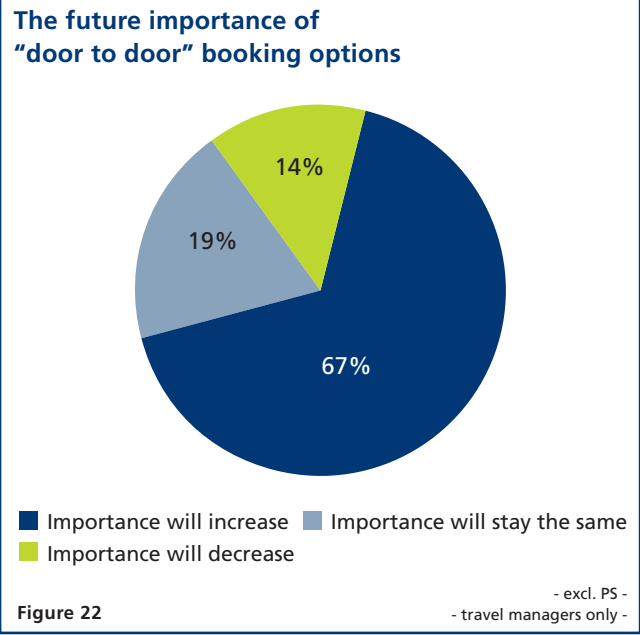
¹⁵See VDR Business Travel Report 2006, Section 4.6 “Booking channels”.

Travel managers look to the future

For the majority of travel managers, “door to door” booking options will become more important in future. By this they mean a seamless service chain for the business trip, with all services bookable from a single source via one booking channel or supplier.

The selection of which Global Distribution System to use is also becoming more dynamic thanks to travel managers, as steering by means of negotiated rates is increasingly being replaced by daily pricing, known as “spot buying”. In 2006 only half of all companies found spot buying important – now the share is 69%.¹⁶

The best prices, worldwide availability and ease of booking – with today’s mobile applications, the significance of being able to influence business travellers “anytime, anywhere” with integrated offerings is growing.

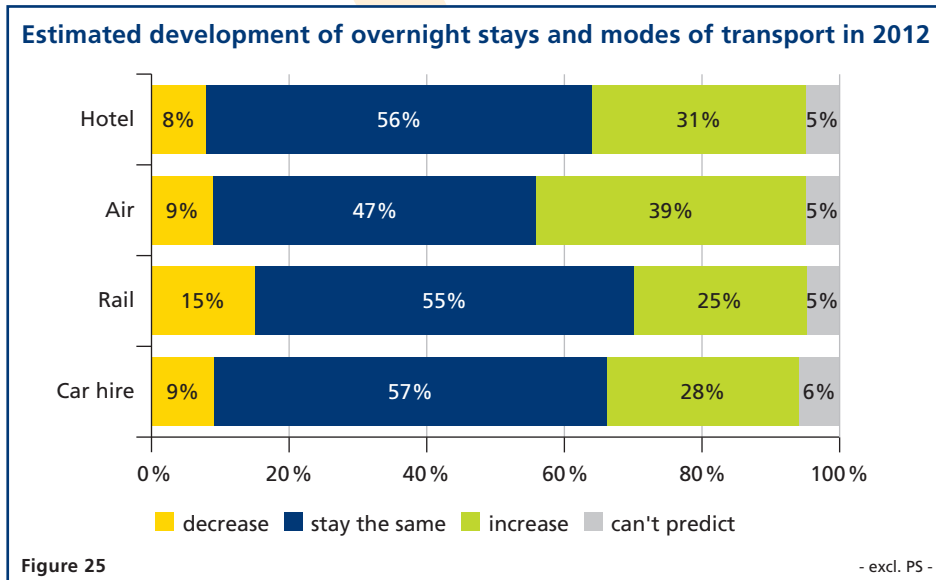


Taken together, all three findings point in the same direction: the world of travel management is becoming more complex, faster-paced, more technical, more comprehensive and, with the right systems to support the processes, more effective for all those involved: economical, sustainable, efficient, transparent and pleasant. A travel-intensive business that understands the significance of, and potential for, intelligently shaping business travel will no longer be able to get by in future without comprehensive mobility management.

¹⁶See VDR Business Travel Report 2006, Section 6.3 “Negotiations and daily rates”.

Expectations for 2012

“How will the number of business trips change in your company in 2012 compared to 2011?”



For the hotel business and above all for airlines, the forecast has never been this positive: more than 30% of those surveyed anticipate increased bookings. The economic upswing and the confidence that further growth will be seen in the coming year are reflected plainly in the expectations of those who make the decisions on German business travel. This group proves year after year that they are one of the most sensitive barometers of the state of the economy. By taking action long before the downturn, they equipped themselves well during the crisis to handle the new wave of growth that came in its wake, and now they continue to hold the rudder firmly in hand. For despite their faith in the present situation, travel managers know all too well that world events – natural disasters, political upheaval, new terrorist threats – can impact business travel again on short notice. Reacting prudently to growth, being prepared even before the next incident to intervene effectively – these are management tasks that prove their value day after day.

THE RESEARCH TEAM FOR THE VDR BUSINESS TRAVEL REPORT GERMANY 2011

VDR – The German Business Travel Association, the publisher of this report, has defined the basic structure of the analysis and selected topical questions in consultation with its members. United Research AG is responsible for the field work and the scientific evaluation of the primary data, which is gathered by the MKT company. The VDR core team of Kathrin Wilger and Andrea Bonell has been working together with the project manager Kirsi Hyvärinen since 2003 for the expert analysis, reporting and organisational supervision of this study project.

VDR – THE GERMAN BUSINESS TRAVEL ASSOCIATION

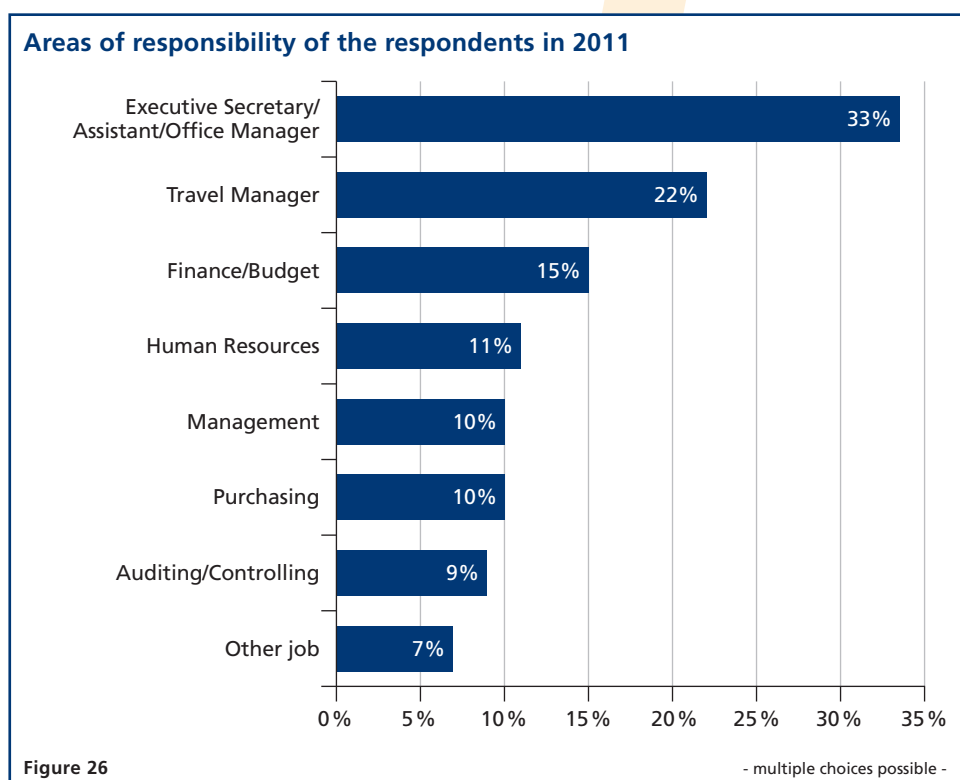
VDR represents the interests of German business with respect to all aspects of business travel management. The aim is to ensure that worldwide business travel is efficient, economical, safe and unimpeded. With over 500 member companies, the German Business Travel Association represents a total business travel turnover of more than ten billion Euros per year.

METHODOLOGY

As in previous years, the statistical universe for the VDR Business Travel Report is constituted by all businesses that have their principal place of business 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. Equal weight is given to the four different size categories. Due to the differences between the private sector (“businesses”) 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, this excludes the public sector (“– excl. PS –”).
- ◆ When reference is made to organisations, this means both businesses and institutions in the public sector.

A random sample was taken from this statistical universe. Between January and March 2011, 800 computer-assisted telephone interviews were conducted with persons who are responsible for managing business travel or 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 2010 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 4, page 21).

The following organisational 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 more than 1,500 employees

Number of organisations in Germany and their employees according to size categories and business sectors (change in economic sector WZ 03)

	Organisational size category (organisations with employees)									
	10–250		251–500		501–1,500		over 1,500		Total	
	Organi- sations	Employees	Organi- sations	Employees	Organi- sations	Employees	Organi- sations	Employees	Organi- sations	Employees
Total	390,035	13,818,570	8,125	2,794,031	3,960	3,123,285	1,044	2,996,638	403,164	22,732,524

Table 4

- as of: 2010 -
- not including organisations with 1–9 employees -

Source: own calculations, based on statistics from the Federal Employment Agency, Data Centre, Nuremberg, 2009.
Calculated according to the economic sectors WZ08 (2009 and 2010) and WZ03 (2008)

Note: The amendment of the “Statistical Classification of Economic Activities in the European Community” (NACE) resulted in the list of economic sectors put together in 2003 (Revision 1.1) being replaced in 2008 by NACE Revision 2. Starting with reporting year 2009, indicators have no longer been available for the formerly used classification according to Rev. 1.1. As the two systems are not identical, there are some systematic differences with regard to the number of organisations included. The extrapolations formerly made in the VDR Business Travel Report were based on the organisations as classified in Rev. 1.1, meaning that no direct comparison can be made with the organisations as listed in Rev. 2. The extrapolations for the year 2010 are therefore based on the figures last recorded in reporting year 2008 for Rev. 1.1. Changes with regard to the number of organisations for the period from 2009 to 2010 were taken into account by applying changes in Rev. 2 for this period to comparable economic sectors in Rev. 1.1.

Sectors of the respondents in 2011

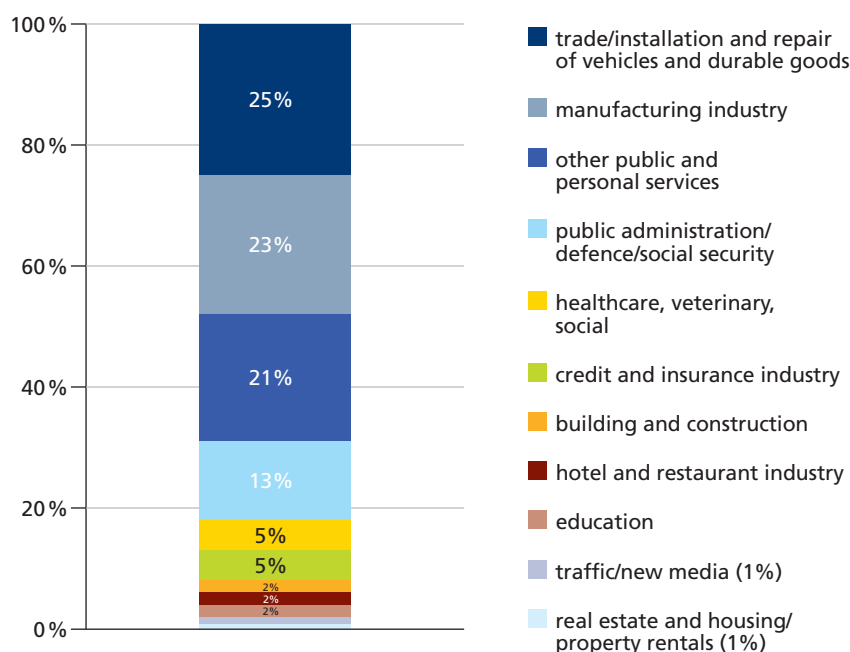


Figure 27

IMPRINT

This study in German and English (published in 2007–2011), together with Management Summaries in German and English for the years 2003–2006, are available free of charge at: www.geschaeftsreiseanalyse.de

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Where the male pronoun form is used in the text, this was done for the sake of simplicity. This is meant to signify both men and women.

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