Outlook for Business and Meetings Travel

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Rockport Analytics & GBTA

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Outlook for Business and Meetings-Related Travel

October 20-22, 2014
Agenda

- Business Travel, A Different Animal
- Economic & Market Drivers of Biz Travel
- Global Outlook for Business Travel Spending
  - Setting the Stage: Quick Review of Global Economic Environment
  - Business Travel Spending Performance – Top Markets
  - Managed Travel Pricing Outlook
- U.S. Business Travel Outlook
- Q&A
Business Travel is a Different Animal...

- **Different Motivations, Payers, and Drivers**
  - “T&E” and “TM” view of business travel
  - Transient: Face-to-face meetings for sales, operations, customer service, maintenance & repair, training...
  - Group Meeting: trade show, professional development, training, exhibition, incentive
  - Business priorities set travel budgets, manage travel & negotiate rates

- **Origin & Destination Choice Driven by Business Locations**, not attractions, weather or available activities (exception: Meetings)

- **Higher Avg Spend-per-Trip**: Total@$540, Group@$775 vs Leisure@$305?

- **Lower Price Elasticity**, especially for transient...

- **Greater Trip & Spending Volatility** over time...
  - During expansions –”it is an investment…”
  - During recessions –”it’s a controllable expense…”
Factors Driving Differences Across Business Travel Markets...

**Size of Economy** – level of economic activity is paramount

**Distance from Suppliers or Markets** – countries far from their markets or suppliers will require more business travel to succeed

**Infrastructure Development** – Is the transportation and hospitality infrastructure sufficient for business travel to flourish?

**Environmental, tax, security, and regulatory policy** – Do governments help or hinder business travel?

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**Land Mass and Business Dispersion** – Larger, widely dispersed populations require more travel

**Industry Mix** – countries with more travel-intensive sectors will have greater amounts of business travel relative to jobs, output, population

**Technology and Travel Productivity** – Business travel is a material/service input to virtually every industry. Like other inputs, it is subject to gains/losses in productivity.

**Trade Dominance** – large trade sectors (China, Germany, Indonesia) tend to drive more international outbound business travel
Business Travel Driven by Business Indicators

US: Domestic Travel Spending & Corporate Profits

Corporate Profits (right)

Domestic Business Travel Spending (left)

Source: Bureau of Economic Analysis, GBTA Foundation, Rockport Analytics

Brazil: Biz Confidence & Domestic Travel Spending

Business Confidence Index (right)

Domestic Business Travel Spending (left)

Source: CONFEDERACAO NACIONAL DA INDUSTRIA (CNI), GBTA Foundation, Rockport Analytics

Russia: Domestic Business Travel and Job Growth

Russia Domestic BTS (left)  Employment (right)

Source: Federal State Statistics Service, GBTA Foundation, Rockport Analytics

India Stock Prices Correlated with Domestic BTS

Business Travel Spend (left)  Stock Prices (right)

BTS 2013Q4 @ 11.3%

Source: Bombay Stock Exchange, GBTA Foundation, Rockport Analytics
Trade & International Outbound (IOB) Closely Correlated

China International Outbound Business Travel Correlated With Exports

-40% -30% -20% -10% 0% 10% 20% 30% 40% 50%

2001Q1 2002Q1 2003Q1 2004Q1 2005Q1 2006Q1 2007Q1 2008Q1 2009Q1 2010Q1 2011Q1 2012Q1 2013Q1

IOB (left) Exports (right)

Source: China National Bureau of Statistics, GBTA Foundation, Rockport Analytics

India's IOB Tends to Lead Exports Over the Business Cycle

-20% -15% -10% -5% 0% 5% 10% 15% 20% 25% 30% 35% 40% 45% 50%

2001Q1 2002Q1 2003Q1 2004Q1 2005Q1 2006Q1 2007Q1 2008Q1 2009Q1 2010Q1 2011Q1 2012Q1 2013Q1 2014Q1

IOB Spending

Source: Federal State Statistics Service, GBTA Foundation, Rockport Analytics

US: Outlook for Exports and IOB Brightening...

-20% -15% -10% -5% 0% 5% 10% 15% 20%

Jan-01 Jan-02 Jan-03 Jan-04 Jan-05 Jan-06 Jan-07 Jan-08 Jan-09 Jan-10 Jan-11 Jan-12 Jan-13 Jan-14 Jan-15

Real Exports International Outbound Business Travel Spending Forecast

Source: US Census Bureau, Well Fargo Securities, Moodys Analytics, Rockport Analytics

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Profits & Business Travel Tightly Correlated...

- Business travel spend leading corporate profits in Europe
- UK already above zero and growing
- France crossed zero line 2013Q4
IATA Has Found Similar Relationships

Premium travel is 70-80% business

Premium travel provides airlines with approximately 10% of seats, while generating 30% of revenue and 80% of profit.

Source: Boeing Premium Traveler Study, Rockport Analytics
Travel Productivity Is an Underlying Factor...

• Like labor or capital, business travel productivity is also rising

• Getting more done per travel budget $. Why?
  - Trips becoming more “dense”
  - Rising adoption and effectiveness of travel management
  - Travel prices have risen more slowly than other inputs
  - On-line meeting substitution?

• BTS will tend to grow more slowly than revenue
Methodology Primer

- Sixth Annual GBTA Global BTI™ study, sponsored by Visa
- Demand-side measures of business travel - all types of trips and all spending, reimbursed and traveler-paid
- Input/output approach puts T&E on par with labor, material, and other service inputs
- Projections driven by global economy, travel productivity, travel supply capacity, travel pricing, and relevant policy issues.
- 75 countries by 48 industries  Domestic vs. IOB and selected category breakouts
- For 10 specific markets, Rockport Analytics has developed econometric models to better inform the forecast process. Models explicitly relates measures of quarterly business travel spending to key economic and market drivers including:
  - Gross Domestic Product (GDP), Employment & Unemployment, Business & Consumer Confidence, International Trade, Foreign Direct Investment, Commodity & Oil Prices
  - Productivity Rates for Business Travel
  - GBTA Travel Manager/Buyer Sentiment
  - International Air Transport Association (IATA) Passenger, Revenue & Capacity
  - Smith Travel Research (STR) Global Hotel Performance
  - Global TMC transactions
Global Business Travel Outlook

Setting the Global Economic Stage...
Global growth is slowly gathering momentum. By 2015–2016, we expect growth to finally reach long-term trend (4%). U.S., APAC (less Japan), and slowly improving Europe lead the way.

Monetary policy is beginning to turn neutral and fiscal policy remains mostly contractionary. Advanced Economy policy rates remain near zero while many Emerging Markets have been raising rates. Meanwhile, austerity and some growth have combined to improve fiscal balances.

Oil and other commodity prices are moving sideways – good news for economic growth, travel inflation, and airline profits. Geopolitical issues are always a concern, however.

US: Improved hiring, housing, and consumer spending are driving underlying growth despite weaker 2014H1. Business confidence, profits, and spending are beginning to join the party.
Setting the Stage: Global Economic Growth Slowly Advances (Cont.)

**China:** Central authorities are closely managing the economy at the 7-7.5% growth while addressing local debt challenges (ST) and continuing to shift towards domestic consumption (LT) and away from investment & export-fueled growth. Exports showing small signs of improvement – good news for other emerging markets.

**Europe:** EU has emerged from recession and is slowly gathering steam. Even the southern periphery has begun to turn around (Italy?) Risks abound, however (e.g. escalating Ukrainian situation, deflation, frozen credit)

**LatAm:** A mixed environment for growth and investment with some markets already improving (Peru, Mexico), and others suffering from slower global growth and self-inflicted policy wounds (Brazil, Argentina, Venezuela)

**Japan:** declining & aging population, huge debt burden, new sales tax weigh on growth. Meanwhile, Abe stimulus and market reforms hope to rekindle growth

**Key risks remain:** Escalating Ukraine, European deflation/retrenchment, hard landing in China...
Global Trade Has Shifted Into a Lower Gear...

- Particularly challenging for continued Emerging Market growth
- The world needs Europe to recover, protectionism to subside, and commodity prices to firm

Source: IATA, OECD, Netherlands CPB, Rockport Analytics

Source: IMF, Markit, OECD
World Still Running at Two Speeds but Differential is Narrowing

The World Needs Europe to Recover Sooner Rather Than Later...

W. Europe and Japan are both sub-2%, but WE is moving in the right direction...

Real GDP Annual %

<table>
<thead>
<tr>
<th>Region</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>2.4%</td>
<td>2.6%</td>
<td>3.1%</td>
<td>3.5%</td>
<td>4.0%</td>
</tr>
<tr>
<td>North America</td>
<td>3.2%</td>
<td>3.3%</td>
<td>3.6%</td>
<td>3.8%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Latin America</td>
<td>2.1%</td>
<td>2.2%</td>
<td>2.6%</td>
<td>2.8%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>1.0%</td>
<td>1.0%</td>
<td>1.4%</td>
<td>1.5%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Emerging Europe</td>
<td>3.7%</td>
<td>3.8%</td>
<td>4.2%</td>
<td>4.4%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Mideast-N. Africa</td>
<td>3.3%</td>
<td>3.4%</td>
<td>3.8%</td>
<td>4.0%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>2.8%</td>
<td>2.9%</td>
<td>3.3%</td>
<td>3.5%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Japan</td>
<td>1.4%</td>
<td>1.5%</td>
<td>1.9%</td>
<td>2.0%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Other Asia-Pacific</td>
<td>4.0%</td>
<td>4.1%</td>
<td>4.5%</td>
<td>4.7%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

'13 Business Travel Spending

- 27% World
- 5% North America
- 24% Latin America
- 5% Western Europe
- 5% Emerging Europe
- 2% Mideast-N. Africa
- 6% Sub-Saharan Africa
- 32% Other Asia-Pacific
Global Business Travel Outlook

Resulting Prospects for Business Travel Spending...
2013 Global Biz Travel Spend = $1.1 Trillion

North America: $290 billion USD

Europe: $309 billion USD

Latin America: $49 billion USD

Asia-Pacific: $392 billion USD

MEA: $19 billion USD

2013 Global Biz Travel Spend = $1.1 Trillion
80% of Global Spending is in the Top 15 Markets...

### Total Business Travel Spending: Top 15 Markets - 2013

<table>
<thead>
<tr>
<th>Market</th>
<th>2013 Total BTS ($ Billions USD)</th>
<th>Annual Growth in BTS (vs. 2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>$274</td>
<td>4.5%</td>
</tr>
<tr>
<td>China</td>
<td>$225</td>
<td>15.1%</td>
</tr>
<tr>
<td>Japan</td>
<td>$61</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Germany</td>
<td>$54</td>
<td>6.0%</td>
</tr>
<tr>
<td>UK</td>
<td>$41</td>
<td>1.9%</td>
</tr>
<tr>
<td>France</td>
<td>$35</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Brazil</td>
<td>$31</td>
<td>4.3%</td>
</tr>
<tr>
<td>South Korea</td>
<td>$31</td>
<td>1.5%</td>
</tr>
<tr>
<td>Italy</td>
<td>$30</td>
<td>-4.1%</td>
</tr>
<tr>
<td>India</td>
<td>$24</td>
<td>10.4%</td>
</tr>
<tr>
<td>Russia</td>
<td>$22</td>
<td>8.7%</td>
</tr>
<tr>
<td>Canada</td>
<td>$22</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Australia</td>
<td>$20</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>$18</td>
<td>1.6%</td>
</tr>
<tr>
<td>Spain</td>
<td>$17</td>
<td>-5.0%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$1,106</strong></td>
<td><strong>4.5%</strong></td>
</tr>
</tbody>
</table>

### 2013 Business Travel Spending By Region

- **North America**: 27%
- **Asia Pacific**: 38%
- **Western Europe**: 24%
- **Emerging Europe**: 5%
- **Latin America**: 4%
- **Middle East & Africa**: 2%
- **Other**: 11%
...But Growth is Largely Driven by Emerging Markets

### Business Travel Spending Returning to Stride After a Difficult 2012

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>1.7%</td>
<td>1.2%</td>
<td>9.2%</td>
<td>9.5%</td>
<td>15.9%</td>
<td>4.6%</td>
<td>8.0%</td>
<td>9.3%</td>
<td>3.2%</td>
<td>4.5%</td>
<td>6.9%</td>
<td>8.6%</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

2013 Total Business Travel Spending Reached $1.1T USD

### Year-over-Year Percentage Growth

<table>
<thead>
<tr>
<th>Region</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>4.9%</td>
<td>6.3%</td>
<td>5.4%</td>
</tr>
<tr>
<td>China</td>
<td>15.1%</td>
<td>16.5%</td>
<td>17.8%</td>
</tr>
<tr>
<td>Japan</td>
<td>-6.6%</td>
<td>-1.8%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Germany</td>
<td>6.0%</td>
<td>7.0%</td>
<td>10.6%</td>
</tr>
<tr>
<td>UK</td>
<td>1.9%</td>
<td>4.4%</td>
<td>5.1%</td>
</tr>
<tr>
<td>France</td>
<td>-0.2%</td>
<td>5.4%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Brazil</td>
<td>4.3%</td>
<td>12.5%</td>
<td>5.9%</td>
</tr>
<tr>
<td>South Korea</td>
<td>1.5%</td>
<td>5.8%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Italy</td>
<td>-4.1%</td>
<td>2.8%</td>
<td>2.8%</td>
</tr>
<tr>
<td>India</td>
<td>10.4%</td>
<td>2.1%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Russia</td>
<td>8.7%</td>
<td>-5.4%</td>
<td>13.6%</td>
</tr>
<tr>
<td>Canada</td>
<td>-1.3%</td>
<td>2.5%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Australia</td>
<td>-4.2%</td>
<td>1.1%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1.6%</td>
<td>1.6%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Spain</td>
<td>-5.0%</td>
<td>4.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>World</td>
<td>4.5%</td>
<td>6.9%</td>
<td>8.6%</td>
</tr>
</tbody>
</table>

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BRICs Lead Business Travel Recovery...

Annual Business Travel Spend Net Difference From 2007 to 2013

<table>
<thead>
<tr>
<th>Country</th>
<th>Difference in Millions of Current $USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>$12,740</td>
</tr>
<tr>
<td>India</td>
<td>$10,862</td>
</tr>
<tr>
<td>Russia</td>
<td>$6,092</td>
</tr>
<tr>
<td>Germany</td>
<td>$5,051</td>
</tr>
<tr>
<td>United States</td>
<td>$4,927</td>
</tr>
<tr>
<td>Japan</td>
<td>$4,738</td>
</tr>
<tr>
<td>Australia</td>
<td>$3,440</td>
</tr>
<tr>
<td>South Korea</td>
<td>$2,832</td>
</tr>
<tr>
<td>Canada</td>
<td>$1,661</td>
</tr>
<tr>
<td>France</td>
<td>$858</td>
</tr>
<tr>
<td>Netherlands</td>
<td>$164</td>
</tr>
<tr>
<td>Spain</td>
<td>$2,716</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>$4,840</td>
</tr>
<tr>
<td>Italy</td>
<td>$5,307</td>
</tr>
</tbody>
</table>

Source: GBTA Foundation, Rockport Analytics
China Growing Biz Travel by Leaps & Bounds

Annual Business Travel Spend Net Difference From 2007 to 2013

China	$132,548
Brazil	$12,740
India	$10,862
Russia	$6,092
Germany	$5,051
United States	$4,927
Japan	$4,738
Australia	$3,440
South Korea	$2,832
Canada	$1,665
France	$858
Netherlands	-$164
Spain	-$2,716
United Kingdom	-$4,840
Italy	-$5,307

Source: GBTA Foundation, Rockport Analytics
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Business Travel Spending Growth Still Led by Emerging Markets... Top 15 Markets
Longer-Term View: High Growth Economies Gaining BTS Mass

Expected Growth (2014 - 2018 CAGR) in Business Travel Spend (BTS) and Current Level of BTS (size of bubble)

Country (Arranged Alphabetically)

Global CAG Average: 7.3%

Source: GBTA Foundation, Rockport Analytics
<table>
<thead>
<tr>
<th>Country</th>
<th>BTS 2013</th>
<th>BTS 2018</th>
<th>2013 Ranking</th>
<th>2018 Ranking</th>
<th>Change in Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$225,052</td>
<td>$424,722</td>
<td>2</td>
<td>1</td>
<td>+1</td>
</tr>
<tr>
<td>United States</td>
<td>$273,684</td>
<td>$340,097</td>
<td>1</td>
<td>2</td>
<td>-1</td>
</tr>
<tr>
<td>Germany</td>
<td>$53,923</td>
<td>$74,856</td>
<td>4</td>
<td>3</td>
<td>+1</td>
</tr>
<tr>
<td>Japan</td>
<td>$60,858</td>
<td>$67,444</td>
<td>3</td>
<td>4</td>
<td>-1</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>$41,184</td>
<td>$55,944</td>
<td>5</td>
<td>5</td>
<td>-</td>
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<tr>
<td>France</td>
<td>$35,102</td>
<td>$47,626</td>
<td>6</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>Brazil</td>
<td>$31,156</td>
<td>$43,276</td>
<td>7</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>South Korea</td>
<td>$30,922</td>
<td>$41,624</td>
<td>8</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>Italy</td>
<td>$30,437</td>
<td>$38,843</td>
<td>9</td>
<td>9</td>
<td>-</td>
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<tr>
<td>India</td>
<td>$24,358</td>
<td>$38,361</td>
<td>10</td>
<td>10</td>
<td>-</td>
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<tr>
<td>Russia</td>
<td>$22,200</td>
<td>$29,472</td>
<td>11</td>
<td>11</td>
<td>-</td>
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<tr>
<td>Canada</td>
<td>$21,709</td>
<td>$25,237</td>
<td>12</td>
<td>12</td>
<td>-</td>
</tr>
<tr>
<td>Australia</td>
<td>$20,193</td>
<td>$23,859</td>
<td>13</td>
<td>13</td>
<td>-</td>
</tr>
<tr>
<td><strong>Indonesia</strong></td>
<td>$14,433</td>
<td>$23,493</td>
<td>16</td>
<td>14</td>
<td>+2</td>
</tr>
<tr>
<td>Spain</td>
<td>$16,806</td>
<td>$22,925</td>
<td>15</td>
<td>15</td>
<td>-</td>
</tr>
</tbody>
</table>
Size & Growth of Biz Travel by Global Industry

Total Business Travel Spend by Industry ($ Billions)

- Textiles: $17-$37
- Rubber & Plastic Manufacturing: $22-$37
- Paper & Paper Products: $22-$46
- Construction: $18-$46
- Real Estate: $27-$76
- Transportation Services: $19-$76
- Non-Metallic Mineral Products: $23-$57
- Hotels & Restaurants: $19-$57
- Social & Personal Services: $19-$58
- Food Processing & Services: $19-$58
- Utilities: $19-$101
- Agriculture, Hunting, Forestry, Fishing: $19-$39
- Petroleum Refining: $19-$39
- Communications Services: $19-$37
- Fabricated Metal Products: $18-$37
- Government: $18-$66
- Equipment Rental: $18-$66
- Banking & Finance: $18-$51
- Wholesale Trade: $18-$51
- Professional & Business Services: $18-$66

Source: GBTA Foundation, Rockport Analytics

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Managed Travel: Global Airfares On the Rise

- Oil prices remain stable
- Consolidation is giving pricing power to carriers in some markets; low cost carriers keeping prices in check in others
- Ancillary fees continue to rise
Managed Travel: Steady Climb in Global Hotel Rates

GLOBAL HOTEL RATES TO DRIFT UPWARD THROUGH 2015

- Demand outpacing supply
- Global development pipeline remains constrained
- Midscale & upscale outperforming economy segments
Managed Travel: Global Rental Car Prices Beginning to Firm

- Lion’s share of car rental market in N. America, Western Europe
- Consolidation
- Glut of supply remains
- Price of key inputs remain in check

Source: CWT Solutions Group, GBTA Foundation, Rockport Analytics
### U.S. Business Travel-Initiated Spending

<table>
<thead>
<tr>
<th>U.S. Business Travel-Initiated Category</th>
<th>2013 Spending (in billions USD)</th>
<th>2012 Spending (in billions USD)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Trip Spending</td>
<td>$241.0</td>
<td>$229.9</td>
<td>4.8%</td>
</tr>
<tr>
<td>Transient</td>
<td>$121.8</td>
<td>$118.6</td>
<td>2.7%</td>
</tr>
<tr>
<td>Group Meeting</td>
<td>$119.2</td>
<td>$111.3</td>
<td>7.1%</td>
</tr>
<tr>
<td>International Inbound Trip Spending</td>
<td>$21.0 / $9.0*</td>
<td>$19.4 / $8.3*</td>
<td>8.2%</td>
</tr>
<tr>
<td>International Outbound Trip Spending*</td>
<td>$32.7 / $6.6*</td>
<td>$32.1 / $6.2*</td>
<td>1.8%/6.4%*</td>
</tr>
<tr>
<td>Meetings Operations Expenditures</td>
<td>$150.0</td>
<td>$140.0</td>
<td>7.1%</td>
</tr>
<tr>
<td><strong>Total</strong>*</td>
<td><strong>$406.5</strong></td>
<td><strong>$384.3</strong></td>
<td>5.7%</td>
</tr>
</tbody>
</table>

*Includes only portion spent within the United States

Source: DKSA, NTTO, CIC, GBTA Foundation, Rockport Analytics

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U.S.-Originated Business Travel Level & Growth

U.S. Business Travel Trips & Spending

Trip Volume (left)

Spending (right)

U.S. Business Travel Growth

Yr-to-Yr % Change

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U.S. Business Travel by Trip Purpose

- **Transient**: 2014 snap-back from slower 2013, plus both rising spend-per-trip and travel inflation
- **Group Meeting**: 2013 trips way up after two years of pent-up demand. 2014 trips down on cyclical snap-back but spending is up on a per trip basis and via higher travel inflation

Source: GBTA Foundation, Rockport Analytics
U.S. IOB Up on Improving Trade & Pent-up Demand

International Business Travel from The U.S.

Source: U.S. Department of Commerce (NTTO), GBTA Foundation, Rockport Analytics
Key Takeaways: Where is Global Biz Travel Headed?

- The global business travel market dominated by NorAm, WE & APAC (2013 @ $1.1 trillion USD)
- China to pass the US as the #1 business travel market by 2016
- Global growth remains driven by Emerging Markets, but differential is shrinking
- Managed air and hotel rates are climbing again. Rental car has finally bottomed but excess supply will continue to moderate rates.
- U.S. business travel growth is rising in step with improving business confidence, hiring, and profits. Group growth outlook is brighter. IOB growth to get back on track with improving trade.