

Old Broad Street
Liverpool Street
Canary Wharf
City Hall
Bank Station
Piccadilly
Victoria
Greenwich
London
Tower Bridge
The Shard
The Gherkin
The Walkie-Talkie
The Cheesegrater
The Spire
The Shard
The Gherkin
The Walkie-Talkie
The Cheesegrater
The Spire



Business Travel Manifesto 2010

Making Travel Work



GTMC Guild of Travel
Management Companies

Foreword



Michael Hare
Chairman

As the UK's leading professional body for travel management companies the GTMC is uniquely well-placed to speak for the UK's business travellers. Our member companies account for around 80% of UK expenditure on managed business travel and facilitate more than 11 million transactions, including the sale of over 6 million airline tickets each year.

For the UK to maintain its position as a leading world economy it requires a world-class transport infrastructure. However our networks are under increasing pressure. Recession is straining the business models of our airlines and train operators; congestion increasingly affects all modes of transport, road budgets have been cut back and environmental concerns quite rightly factor in any discussion of future development.



Anne Godfrey
Chief Executive

Business travellers are realistic: they understand that resources are scarce and recognise that the state of the public finances means that spending will be reduced. In this time of limited public funds it is essential that the money invested in our transport infrastructure is targeted at those areas that the corporate traveller feels would most assist them in doing business and thereby helping the economy to recover.

To ensure that the view of the business traveller is being heard in policy and investment discussions the GTMC has used its members' daily exposure to corporate travellers' frustrations and preferences, as well as embarking on a number of in-depth focus groups and a survey of over 1200 business travellers, to inform this Business Travel Manifesto.

Air



The aviation industry in the UK, as with the rest of the world, has been hit hard by the recession. As with rail, the travel patterns of the business traveller reflect the pressure to bring down costs. The survey underpinning this Manifesto shows that 50% of business travel is done on economy class tickets with scheduled airlines, with 20% of travel going via no frills carriers. The majority of the business travel experience is therefore at this end of the market – the first and business class experiences are only enjoyed by 16% of respondents.

Regardless of current fluctuations in patterns of travel it is imperative that UK business is fully connected to the rest of the world. Connectivity is essential to the future ability of the UK to do business and to grow.

Business Traveller Priorities:

- Heathrow airport to remain an internationally competitive hub. Heathrow remains the primary business travel airport for the UK and, as such, it needs the range and frequency of destinations and connections desired by business. The business traveller is agnostic about whether this is achieved through removing domestic routes, a third runway or mixed mode runway usage.
- The retention of "disruption capacity" i.e. minimum spare capacity in Heathrow to build-in resistance to delays. The GTMC survey reflects the fact that delays are the biggest frustration for the business traveller and action to minimise these should be prioritised.
- New or freed-up capacity beyond "disruption capacity" to be allocated as "green slots" for more efficient aircraft. Limiting the environmental impact of travel is important to 71% of business travellers.
- Position and proposed funding for a Thames Estuary airport to be made clear by all major parties. The concept should not be used as a political distraction from tough choices on Heathrow's future nor allowed to divert funding from a high-speed rail network.
- Expansion of regional airports to be predicated on specific investments in public transport links. Expanding the DLR to City Airport should be the model for regional expansion.
- Efforts focused on minimising the amount of time it takes to pass through the airport – this includes ensuring that security staff are well trained and polite and that enough staff are on duty to minimise queuing.
- New or refurbished terminals to be made as conducive to working as possible. A major concern for business travellers is that airports are geared too much towards commercial sales within the airport rather than efficiently routing travellers to their destination. While business travel lounges are conducive to working they are not the experience of the majority of business travellers – it is imperative that business travellers have access to working space and wi-fi connectivity outside business class lounges.

In terms of the current rail network the GTMC survey revealed that only 40% of business travellers travel in First Class. The tight constraints on business overheads are likely to remain in place for the foreseeable future and therefore it is the experience of the majority of business travellers in standard class that should be the main focus of policy.

Our regular surveys indicate that while rail travel has continued to rise during the recession there are still significant issues affecting business travellers' ability to carry out business in transit.



Business Traveller Priorities:

- New or renovated mainline stations to prioritise business travellers' ability to work through their journey. Over 58% of survey respondents were dissatisfied with stations as working environments and 44% with the availability of power and wi-fi facilities. Future spending should focus on low-cost improvements to wi-fi availability, working space and station business lounges.
- Efforts to control the price of tickets for on-day rail travel. It is the nature of business that meetings are often scheduled at short notice – in these circumstances excessive train fares are punitive and a burden on UK business.
- The Government to ensure that new franchise deals include demands that new trains enable business travellers to work through their journey regardless of class of travel.
- Controls to be put on increased car-parking charges at stations. Parking prices should not be used as a way of generating revenue to offset regulator-imposed caps on rail fares.
- Continued Government backing and funding for the Crossrail project.

High Speed Rail

The most compelling aspect of the survey was that nearly 70% of respondents felt that a high speed rail network should be the priority for Government investment over expansion of capacity at UK airports. The majority of those surveyed believed that it would make the biggest difference for business travellers.

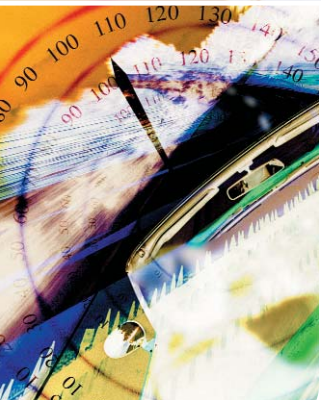
In terms of modal shift from air to rail the survey also revealed that this would not happen unless a high speed rail system was put in place: 66% of business travellers indicated that they would switch from aviation if the trip was faster by rail, 56% that they would make the switch if there was a direct route and 55% if rail was cheaper than the alternative.



Business Traveller Priorities:

- Cross-party consensus and swift progress on the high speed rail network for the UK. The time-frame for such a project will run over many Parliaments and its realisation must be beyond short-term politics.
- The creation of the network to be made a national issue. Parliamentary endorsement as an expression of national intent will prevent this vital piece of infrastructure from being held up in planning for decades.
- All parties to be clear on how they will fund the creation of a high speed rail network with serious consideration given to hypothecating "green taxes" for the project.
- The linking of the network into Heathrow airport to facilitate the aspiration of shifting short haul flights onto rail and to free up corresponding capacity. Quick and efficient transfer from air to high speed rail to be an important aspect of the master planning of the network and any new Heathrow terminals.
- The Government to strike the right balance between linking up the business centres of the UK and keeping journey times competitive with aviation. In doing this to be resistant to concerted lobbying from any particular region demanding inclusion on the route.

Road



It should be remembered that business journeys do not encompass only rail and air. The car journey remains integral to doing business in the UK, particularly for small businesses.

The reasons for the continued importance of the private or hired car is quite simply that it can take you from door to door and that the multi-modal journeys necessary for some destinations take too long. The fact remains that not all business journeys can be reasonably undertaken by public transport.

The main issue for the business traveller with road transport remains levels of congestion on both the UK's motorways (61% not satisfied with the congestion levels) and on non-motorway roads (56% not satisfied with congestion levels). It is freeing-up the capacity of roads and making journeys quicker that is the main priority of the business traveller with regards to future roads policy. The GTMC accepts that there is no option of "building our way out" of the problem and that controlling demand is part of the solution.

Business Traveller Priorities:

- An extension of tolled motorways in the UK where practicable. The M6 toll road and its levels of congestion along with the Public Private Partnership (PPP) model of construction and recoupment are positively viewed by the business traveller (58% of respondents to the survey seeing PPP as the preferred method of funding for this infrastructure).
- Reasonable limits put on price of parking at airports (over 60% of business travellers surveyed found this a serious issue) and at mainline rail stations (a majority of survey respondents found provision of parking lacking and over 55% found the cost excessive).
- Alternative public transport options to precede any future road pricing schemes so that the business traveller has a greater range of options from day one of operation. Investment to fund these options to come from borrowing against future revenue.
- Airport expansion to be linked to road pricing schemes and revenue ring-fenced for public transport links to that specific airport.
- Government to take a strong lead on researching future low carbon vehicles and putting in place a fuelling network. Picking a winner if necessary.

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