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HRG HIGHLIGHTS EMERGING TRENDS

- Closer scrutiny on travel budgets and policy for corporates -

As tough economic conditions continue to dominate news headlines and financial constraints have greater influence on travel policy and decision making, international corporate travel services company Hogg Robinson Group (HRG) is highlighting key trends emerging across the business travel industry.

Commenting on the corporate travel trends and booking habits of its diverse client base (from multinationals to smaller national companies), Stewart Harvey, Director of Client Management, said: "It is very interesting to see what is happening throughout the sector. Certain geographic regions are continuing to grow whilst others are experiencing closer scrutiny as to whether travel is necessary."

HRG's observations include:

- Continued growth in Middle East and Africa
- Greater emphasis being placed on the reason behind travel
- Increased flexibility of travel policy with greater use of best fare on day
- Active limitations on the numbers of travellers attending meetings
- An upturn in video conferencing solutions
- Support for preferred suppliers
- An increased requirement for detailed, and immediate, data and MIS reporting.

To travel or not to travel...that is the question

"Today's global marketplace brings with it a realisation that a certain amount of travel is essential and important," says Harvey. "What is becoming more apparent is that companies are paying more attention to the reason behind a trip. There is no question that clients understand the business benefits of face-to-face meetings, but increasingly they are opting to consider - and offer - alternative solutions, whether that is best fare on the day or a teleconference."

Harvey notes an upturn in video conferencing: “Although not mandatory, we are seeing certain companies asking us to offer their travellers a video conference alternative at the time they request a flight booking. There is also a trend towards webinars, and a return to video conferences for internal meetings.”

When it comes to industry sectors, HRG has noted that business travel in ‘oil and gas’ currently remains buoyant whilst financial clients continue to travel to developing parts of the world. “Although transatlantic routes are feeling the brunt of the current financial situation, we are seeing growth in the emerging markets,” says Harvey. “This is particularly apparent in the Middle East and Africa.”

Support for preferred suppliers

One of the most interesting developments to date is a real sense of camaraderie according to Harvey: “Our clients appreciate the stability of their preferred carriers, realising that they are going through difficult times and supporting them to ensure that certain routes, which may be at risk of cancellation as airlines prepare their winter schedules, will remain available.”

The provision of accurate data and detailed management information is crucial in helping clients to optimise their travel and related budgets. Carbon footprints are also once again becoming more important with CO2 reporting helping to drive awareness of costs and the rationale behind travel.

“There is also a trend for corporates to avoid booking highly restrictive fares and preferring, where possible, to select the lowest mid-range fare which has flexibility, rather than choose a low cost carrier option with full cancellation penalties,” comments Harvey.

Potential savings more important than ever

HRG’s Global Pricing Desk has become progressively busy during recent months, and is increasing capacity and extending working hours to cope with demand as organisations look for more savings.

In what is becoming an increasingly fragmented market and in order to identify the most appropriate pricing structures and additional cost savings available, the HRG Global Pricing Desk taps into a team of highly skilled and experienced fares analysts’ knowledge of routes, air fares and complex IATA (International Air Transport Association) rules to obtain the very best fare.

“There’s a huge potential for clients to achieve greater value from their investment in corporate travel - an average 13 per cent saving per ticket - by using our Global Pricing Desk,” says Harvey. “More companies, particularly smaller national clients, are opting to take advantage of HRG’s own fares as they are not able to generate the necessary volume to negotiate their own route or airline deals.

“It is more important than ever for companies to take full advantage of the services offered by a corporate travel management provider as they are fully experienced in maximising return on expenditure and offering alternative options to meet individual requirements.”

- Ends -

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Notes to Editors:

Hogg Robinson Group (HRG) is the award-winning international corporate travel services company. Founded in 1845, HRG has over 60 years specific corporate travel expertise. Its corporate services interests include owned or controlled corporate travel operations in 25 of the key driver and growth markets throughout Asia Pacific, Europe and North America. Supported by contracted partners, the HRG worldwide network extends to over 100 countries.

Totally committed to a value offering for clients, HRG offers a comprehensive range of corporate travel services including Corporate Travel Management, Consulting, Events & Meetings Management and Sports as well as Expense Management through its Spendvision operation.

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