

Travel Manager Insights Series

Solving the business travel sustainability puzzle



Navigating sustainability challenges

Sustainability is now a standard part of a travel manager's job description, with companies under increasing pressure from shareholders and employees to reduce their carbon footprints. Increasingly, it's a regulatory obligation too.

For example, the European Union's Corporate Sustainability Reporting Directive (CSRD) covers corporations trading in the EU even if they are based outside Europe. Companies must declare not only their current business travel emissions but targets for reducing them.

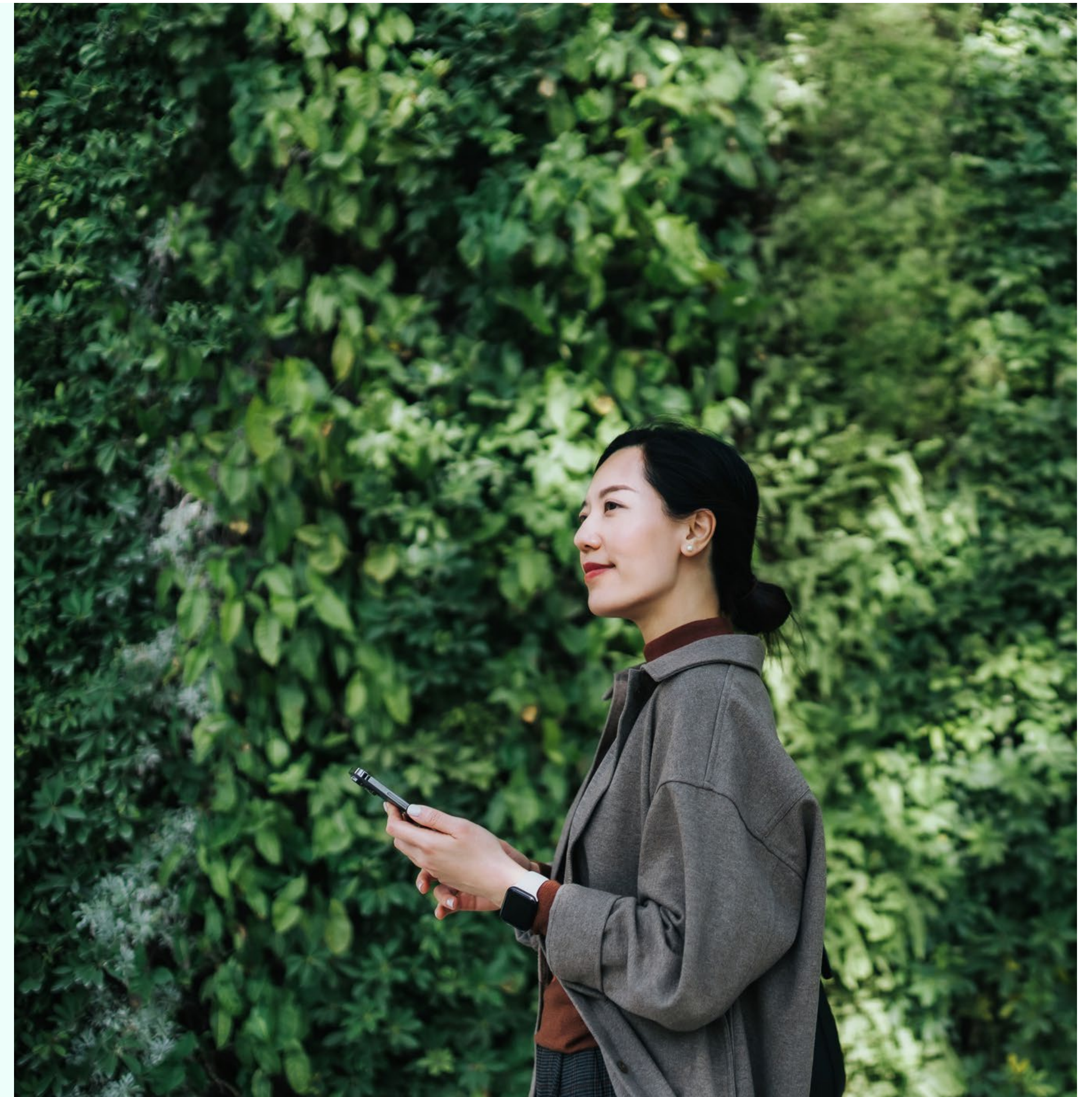
Other parts of the world are following suit. Australia and Singapore are both introducing mandatory Scope 3 emissions reporting, which will include business

travel. A carbon emission reduction strategy is no longer just a nice-to-have – it's increasingly essential.

But reducing travel-related emissions is tough when travel managers are also expected to cut costs. Greener options can often be more expensive. According to a [2024 survey by SAP Concur](#), 36% of travel managers struggle to meet company expectations to act more sustainably without adequate budgets.

Another barrier to going greener is that travel managers are flying blind: the accessibility and quality of travel emissions data they work with remains poor.

How can travel managers overcome these difficult challenges?



CHALLENGE 1

With the cost of flight tickets increasing, can travel be reduced?

Airlines are hiking ticket prices to fund their decarbonization costs. Lufthansa introduced an “environmental cost surcharge” in June 2024, while Virgin Atlantic and British Airways are both likely to introduce their own surcharge in the near future.

In addition, some companies that have negotiated discounted business travel fares with airlines are voluntarily paying more by investing in sustainable aviation fuel projects.

THE TRAVEL MANAGER PERSPECTIVE



“I don't think a surcharge will hold us back. The nature of our business is around servicing the clients: the interaction is important.”

Mina Salim, Travel Manager at Marel Group



“We need to travel to meet clients and go to sites. Our CEO talks a lot about collaboration – you can't really do that over a Teams call.”

Adam Hickingbotham, Category Manager (Travel and Office Services) at AtkinsRéalis



“Travel does inspire the things we need to do for our business. You can be very productive without it and still be profitable, but it doesn't help your relationships much.”

Buffy Garrier, Global Travel and Corporate Card Manager at Seagate



“There isn't a boardroom that doesn't expect some sort of cost for the energy transition process. But it's about when that comes, how quickly it comes and at what level it comes.”

Danny Cockton, VP Global Travel Services at Wood

Actively manage growing sustainability costs

→ TRAVEL LESS

There is a simple way to reduce both travel emissions and costs: don't travel. In reality, this solution is not at all simple. Travel is essential to win new customers, maintain existing relationships, train employees, and much more.

Instead, seek to improve decision-making on whether to stay or go. One example is automated pre-trip approval: look at introducing a process where each booking is routed to a line manager or even senior management for validation before it is ticketed.

→ COMMUNICATE THE CHALLENGE

Explain to budget holders and senior management how the energy transition premium inevitably means higher costs for businesses that want to keep traveling.

CHALLENGE 2

When booking greener means paying more

There are times when travelers must choose between booking greener or cheaper.

High-speed rail often costs more than flying, for instance, despite being the greener option; this is particularly true in Europe and sometimes in Asia. To take another example, direct flights cause fewer

emissions, but are often more expensive than indirect routing.

The dilemma becomes even more acute if the traveler is also the budget-holder for the trip: do they save the planet or save the budget?

THE TRAVEL MANAGER PERSPECTIVE



“For some of our locations, we don’t have a sustainable choice. It’s then about how many people need to be on that flight, doing that job. Generally that’s client-driven – that can be very difficult.”

Danny Cockton, VP Global Travel Services at Wood



“Some airlines encourage the traveler to use their points to cut emissions or pay an additional fee – I don’t think travelers would use their loyalty points on a business trip.”

Mina Salim, Travel Manager at Marel Group



“Our portal has an air and rail comparison, so the booker can make that decision. We are looking at incentives – we don’t allow first-class [train] travel, but it’s something we’re thinking about.”

Adam Hickingbotham, Category Manager (Travel and Office Services) at AtkinsRéalis



“It’s about putting out options and then hoping people make the best choices. If they don’t, it’s not about scrutinizing or pounding them – there needs to be a balance.”

Buffy Garrier, Global Travel and Corporate Card Manager at Seagate

Find the right balance to meet your business's strategic goals

→ ADOPT A CLEAR POSITION

Explain the challenge to senior management. Work with them to define a clear message and endorse it across the company. Does the lowest price always come first? Or should travelers prioritize the greenest option?

→ LOOK AT COST REALLOCATIONS

Talk to finance about the potential for revisiting budgets and cost allocations. Could a central budget be created, for example, to subsidize the additional cost of greener choices?

→ ADJUST TRAVEL POLICY

Review your policy rules to align with the chosen position. For example, if the company decides travelers should prioritize train over plane, consider allowing first-class rail travel.

→ INTRODUCE TRAVEL CARBON BUDGETS

Only one in 10 business travelers always factor carbon emissions into their flight selections, according to a Deloitte survey.¹ Giving departments annual carbon limits, as well as financial limits, helps employees understand the need to balance and control both “costs” to the company. Work with the leaders who set budgets within your business to develop this double-accounting concept.

CHALLENGE 3

Where is the high-quality emissions data?

Measuring travel emissions is problematic. Data from suppliers can be fragmented and difficult to access, while there is no standardization across the corporate travel sector and government regulators.

Here's just one example: some methodologies include a multiplier of as much as 2x to reflect the more harmful effects of emitting CO2 at altitude. Others have no multiplier at all.

As a result, travel managers struggle to provide accurate reporting and set benchmarks and clear pathways for carbon reduction.

THE TRAVEL MANAGER PERSPECTIVE



“The suppliers are not providing enough information through the online booking tools – that makes it hard for travelers to choose sustainable options.”

Mina Salim, Travel Manager at Marel Group



“I'm not going to be ringing our CEO up and asking how many towels they've used. The inability to measure that is obvious. So it's about aligning values as much as it is about reporting on something tangible, like a dataset.”

Danny Cockton, VP Global Travel Services at Wood



“It goes back to doing your research when you're selecting vendors: sustainability should be on your requirement list. But you shouldn't compromise on the product or service you're buying.”

Buffy Garrier, Global Travel and Corporate Card Manager at Seagate



“We're creating our own green sustainable hotel program because we don't have the best [supplier] data. It's about giving our employees the best possible choice to make the correct decision going forward.”

Adam Hickingbotham, Category Manager (Travel and Office Services) at AtkinsRéalis

Reduce the data deficit

→ CHOOSE YOUR PARTNERS WELL

Make sure your requests for proposal to airlines and other suppliers always require a specification of their emissions reporting.

Even more important is the need to source consistent, centralized reporting from your service providers, especially your booking tool and travel management company (TMC). Audit their emission reporting capabilities very carefully – their performance should be a key selection criterion. For example, does the TMC offer granular flight-by-flight emissions calculations instead of route averages?

→ GET HELP

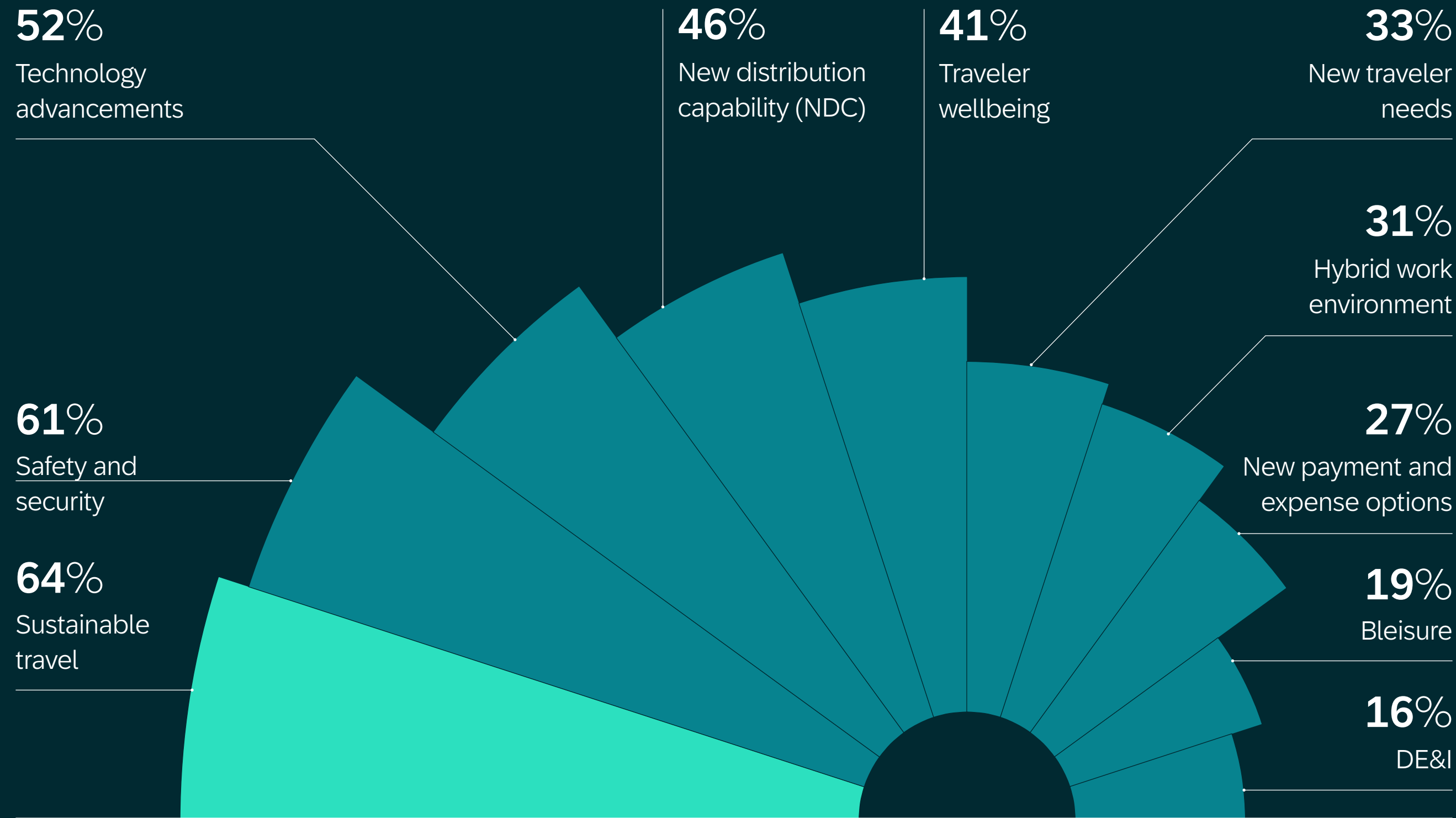
Emissions data is a complex, highly technical topic that's almost impossible for travel managers to understand alone. Work with your sustainability team if you have one and consider hiring sustainability consultants too.

→ DON'T WAIT FOR PERFECTION

The CSRD and other regulatory requirements mean you need to act now. Focus on your air emissions because that's likely to be the biggest part of your carbon footprint; luckily, it is also easier to measure than hotel emissions. If you can show you are trying to track emissions systematically, you will be well on the road to satisfying regulators.

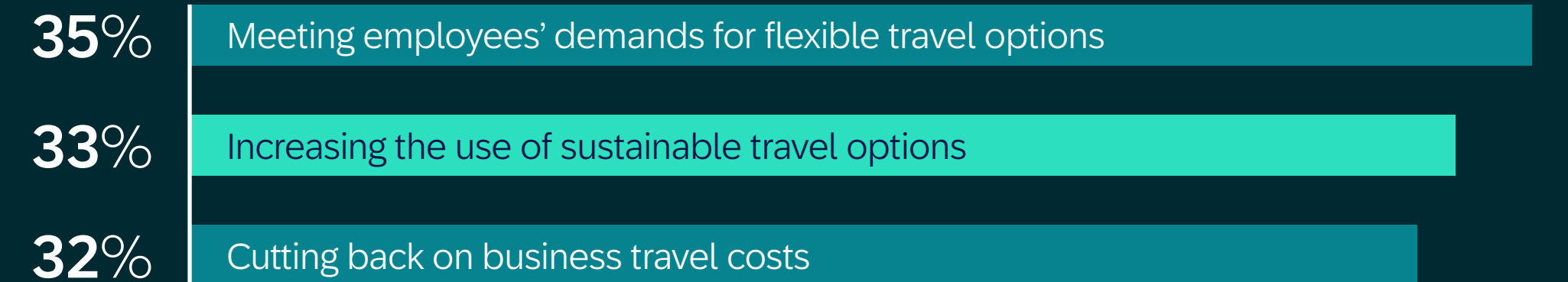
The sustainability struggle for travel managers

TRAVEL MANAGERS SAY SUSTAINABILITY IS THE DOMINANT TREND SHAPING THEIR POLICIES



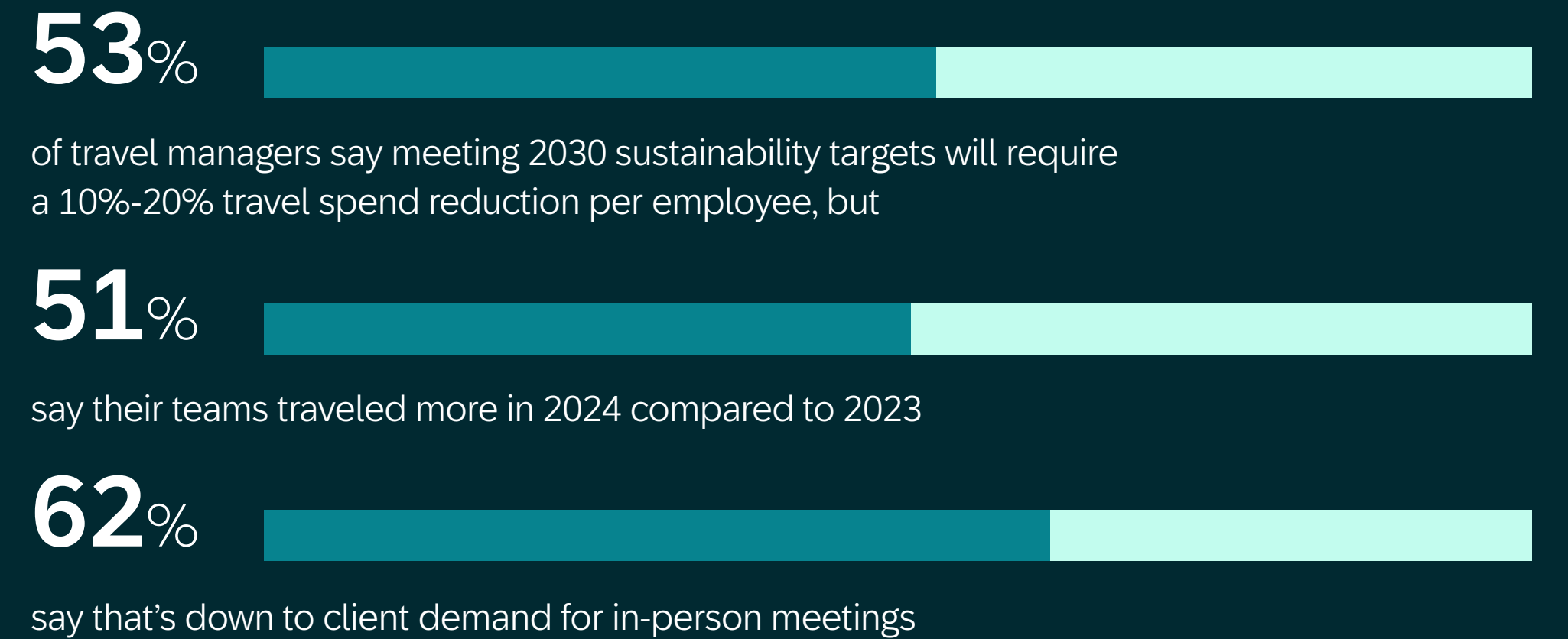
Source: BCD Travel Buyers Survey 2024

A THIRD OF TRAVEL MANAGERS SAY THEIR TOP PRIORITY IS INCREASING SUSTAINABLE TRAVEL OPTIONS



Source: 6th Annual SAP Concur Global Travel Managers Research Report

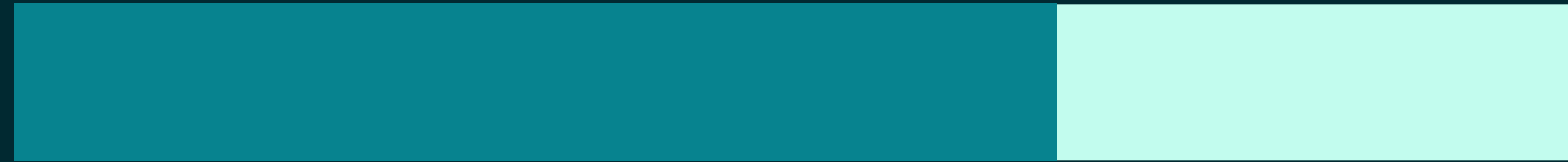
BUT REDUCING BUSINESS TRAVEL IS PROVING DIFFICULT



Source: Deloitte Corporate Business Travel Survey 2024

MEANWHILE, MANY EMPLOYEES STILL SEE BUSINESS TRAVEL AS ESSENTIAL FOR CAREER PROGRESSION

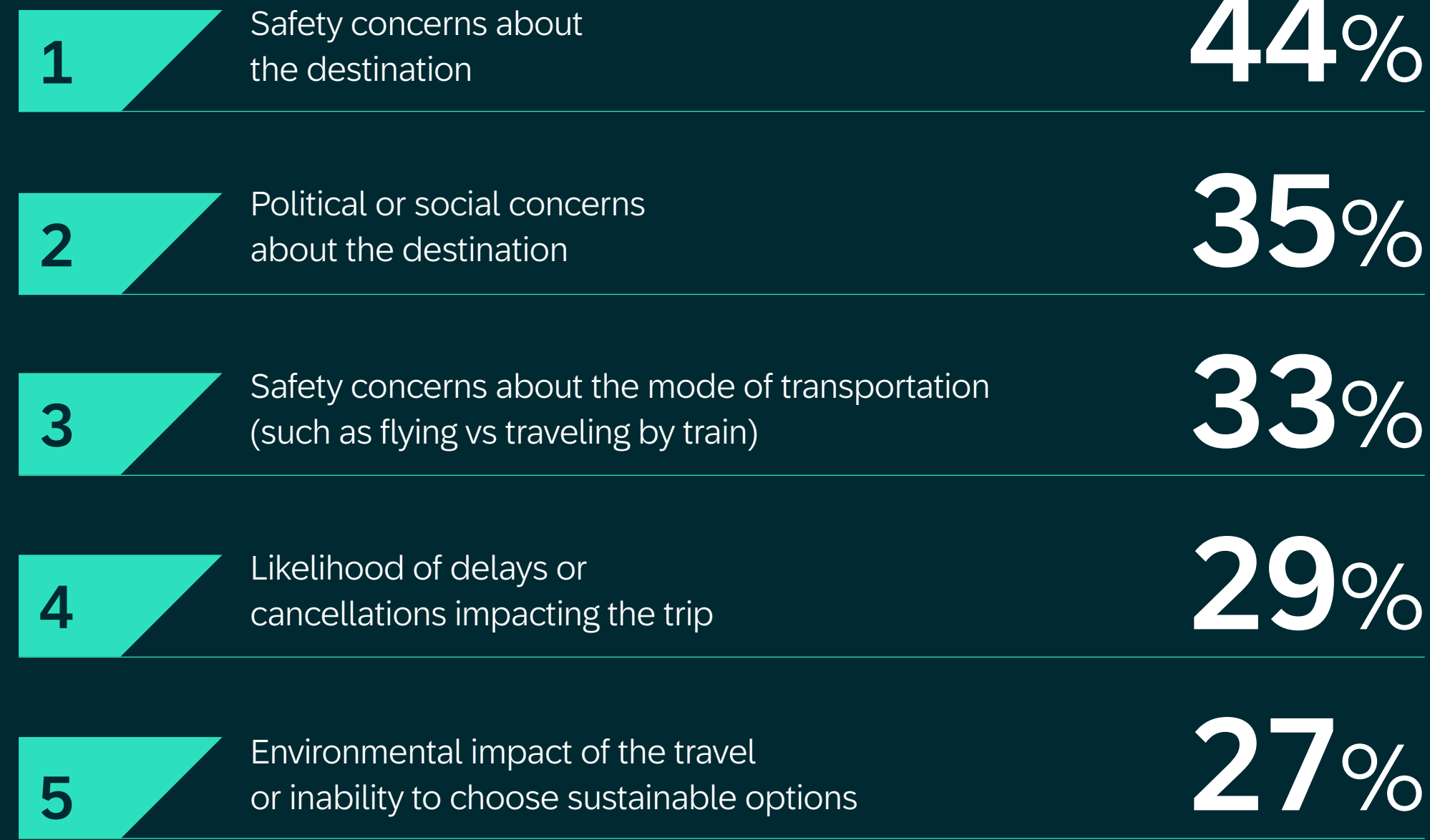
67%



of business travelers see travel as vital to their career

AND SUSTAINABILITY IS NOT A LEADING FACTOR IN DECLINING A TRIP

Reasons why travelers would decline a business trip



Source: 6th Annual SAP Concur Global Travel Managers Research Report

BUSINESS TRAVELERS AREN'T YET MAKING THE SUSTAINABLE CHOICES THAT ARE NEEDED

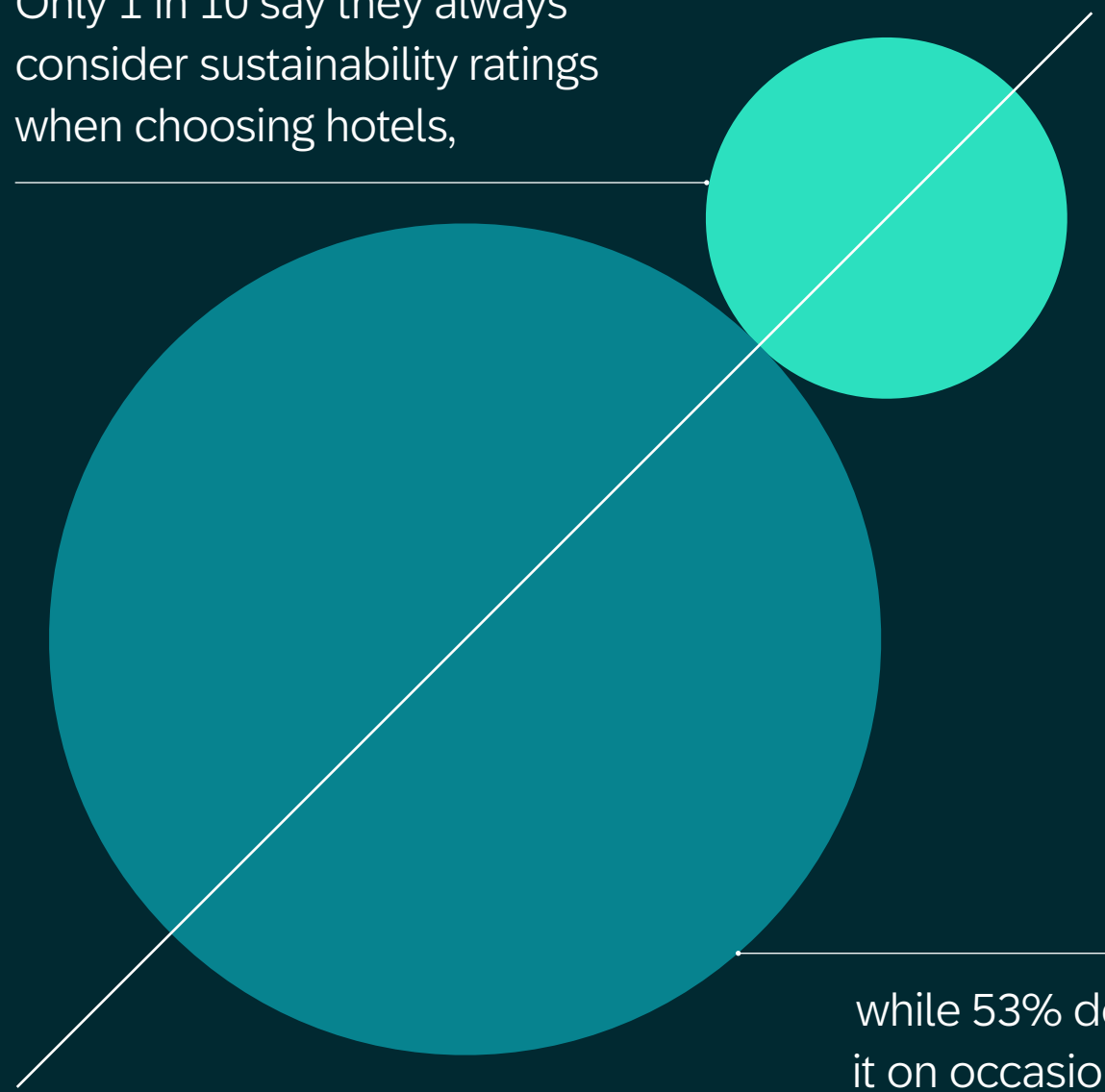
Only

1 in 10



corporate travelers say they always factor carbon emissions into flight selection, while nearly half do it on occasion

Only 1 in 10 say they always consider sustainability ratings when choosing hotels,

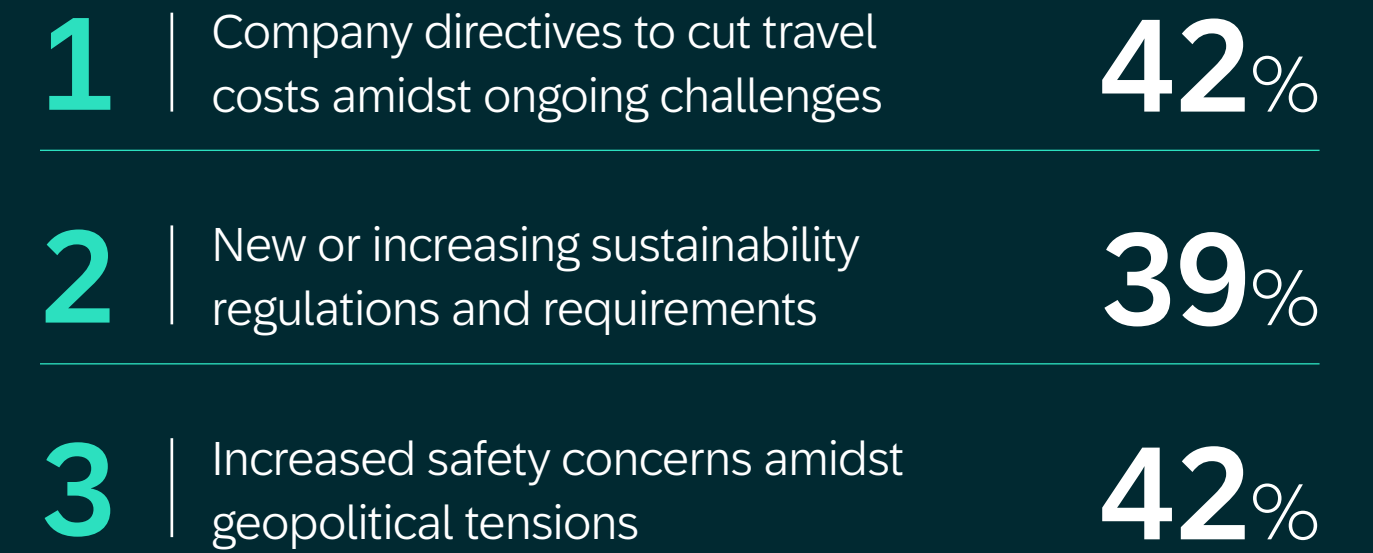


while 53% do it on occasion

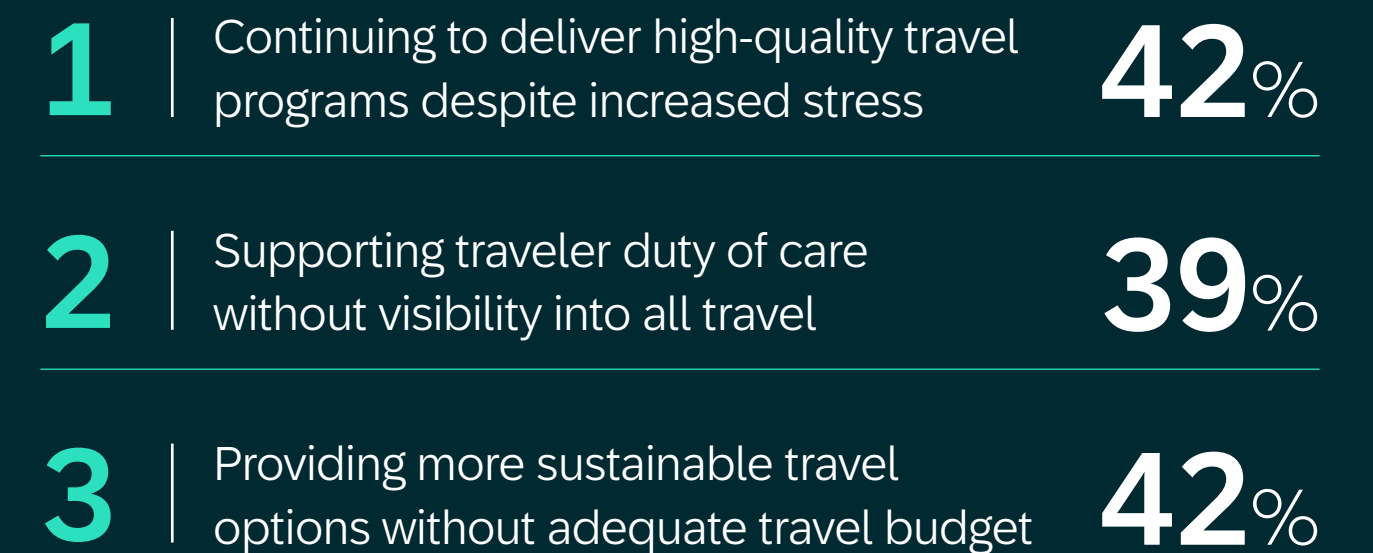
Source: Deloitte Corporate Business Travel Survey 2024

TRAVEL MANAGERS ARE IN A BIND, FACED WITH INCREASING REGULATIONS AND A LACK OF BUDGET

Top factors that will make travel managers' jobs more difficult in next 12 months



Top disconnects making it more difficult to fulfill the demands of the role



Source: 6th Annual SAP Concur Global Travel Managers Research Report

About SAP Concur

SAP® Concur® is the world's leading brand for integrated travel, expense, and invoice management. Driven by a relentless pursuit to simplify and automate everyday processes, the solutions guide employees through business trips, move authorized charges directly into expense reports, and automate invoice approvals. By integrating near real-time data and using AI to analyze transactions, businesses can see what they're spending, improve compliance, and avoid possible blind spots in the budget. SAP Concur is imagining a world where travel and expenses practically manage themselves, helping businesses run at their best every day.



Discover strategies for [Building Tangible Sustainability Into Your Business](#)
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