

The Wire...from AirPlus

May 2011: Mobile Tools Remain an Area of Opportunity for Travel Managers

AIRPLUS. WHAT TRAVEL PAYMENT IS ALL ABOUT.



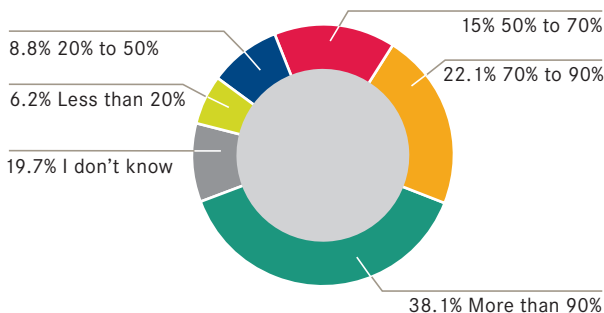
Business travelers are increasingly sourcing their own mobile tools and apps.

While mobile travel tools and applications have become plentiful in the leisure travel market, few solutions have targeted corporate travel. Many business travelers are using their own mobile devices and adapting leisure-focused tools to meet their own needs.

This year, however, has seen a flurry of activity on the part of corporate travel vendors as they race to release mobile applications and specialized mobile websites dedicated to the business traveler. Recent and upcoming releases of mobile solutions this year include enhancements to expense reporting tools, itinerary management, traveler alerts, security and status features, and the promise of what's been the holy grail of corporate travel management—online booking that embeds corporate policy.

In a recent online survey, AirPlus International asked travel stakeholders about their current mobile travel management strategies in the face of a rapidly changing marketplace. According to survey respondents, the early jumps in adoption of mobile technology have slowed down, at least temporarily, when it comes to the numbers of business travelers carrying smart phones or other wireless-enabled devices. For example, according to survey respondents, 38.1 percent estimated that more than

Please estimate the percent of your company's travelers that currently carry a smart phone or other wireless-enabled mobile device (either personally or provided by your company).



90 percent of their company's travelers currently carry a smart phone or other wireless-enabled mobile device, up only 3 percent from the 35 percent estimated in 2010.

At the lower end of smart phone adoption, there was virtually no change in responses: This year 15 percent estimated that fewer than 50 percent of their company's travelers use smart phones, statistically insignificant when compared to the 14.6 percent who said the same last year.

It's likely, however, that corporations will continue to see increases in adoption of mobile technology as such devices jump in popularity through the population at large. Nielsen reports that 31 percent of all mobile subscribers owned smart phones at the beginning of this year and predicts that 50 percent of mobile phone

How are your travelers currently using mobile tools/ applications on their devices to facilitate business travel?

| 2011 | 2010 | |
|-------|-------|---|
| 9.9% | 36.1% | They use company sanctioned mobile tools/ apps only |
| 21.6% | 9.8% | They personally source their own apps/tools |
| 40.5% | 34.4% | Company sanctions some tools/apps, but travelers also source their own |
| 14.4% | 6.6% | Company does not provide or sanction mobile tools/apps and tries to minimize personal use |
| 13.5% | 13.1% | I don't know |

purchases will be smart phones by the end of the year. And information technology research company Gartner predicts that by 2013, mobile phones will surpass computers as the most common web access device.

These increases go hand in hand with the fundamental change respondents reported in the way such devices are sourced for business travelers, who are increasingly taking personal control of their smart phones and mobile devices. While in 2010, 36.1 percent of the surveyed respondents said their travelers used only company sanctioned mobile tools/apps, that number was down to 9.9 percent in this year's survey. Instead, 21.6 percent said their travelers are now personally sourcing their own tools and apps (compared to 9.8 percent last year) in addition to the 40.5 percent whose travelers use a hybrid of company sanctioned tools and apps along with sourcing their own.

While such numbers indicate that some policy is being determined at certain levels of the corporation, most of that policy is not coming from travel management professionals. The majority of survey respondents—nearly 55 percent—said travel management has no responsibility for mobile travel apps and tools.

Of those that are involved in the process, the role is primarily advisory. Nearly one-quarter of the total respondents contribute to strategic plans for using mobile travel tools and applications (23 percent) and/or research and recommend mobile travel tools for possible purchase (23 percent). Only 15.9 percent source, negotiate and purchase mobile travel tools, while slightly more—17.7 percent—implement and manage the use of sanctioned mobile tools.

Without strategic policy and involvement of corporate travel professionals, managed travel programs are at some risk of leakage as travelers are left to their own

What responsibilities does your company's travel management function have in relation to mobile travel tools/apps? (check all that apply)

| | |
|--|-------|
| Contribute to strategic plans for using mobile travel tools/applications | 3.0% |
| Source, negotiate and purchase mobile travel tools | 15.9% |
| Research/recommend mobile travel tools for possible purchase | 23.0% |
| Implement and manage use of sanctioned mobile tools | 17.7% |
| Educate self/company about low-cost mobile apps and how travelers are using them | 15.9% |
| Damage control | 3.5% |
| Travel management has no responsibility for mobile travel apps/tools | 54.9% |
| Other | 8.8% |

devices when it comes to mobile technology. That risk will only grow as more business travelers purchase their own mobile-enabled devices and use them to access apps and mobile-enabled websites of their own choosing. However, the new spate of solutions specifically geared to corporate travel programs and business travelers also means an unprecedented opportunity for corporate travel professionals to become more involved in the strategic management of mobile business travel tools.

Additional Resources:

Killer Apps & Mobile Menaces: Travel Apps Most Apt
<http://www.businesstravelnews.com/Business-Travel/Travel-Technology/Articles/Killer-Apps—Mobile-Menaces—Travel-Apps-Most-Apt/>

Mobile Booking Apps Are Only Just Starting to Deliver
<http://www.nytimes.com/2011/05/05/business/05APPS.html>

Survey Methodology: For this issue of *The Wire*, AirPlus International surveyed 146 travel management professionals in North America and Europe from April 26 to May 13, 2011 .

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