

Foresight 2023

4 Trends in Travel and Expense Management



Make Every Spending Moment Do More

No one knows exactly what's next, but there's a way to be ready for whatever the future holds.

As costs rise, budgets shrink, and the business climate keeps changing, it becomes more and more important to make every spending moment count. And while you may not know all the challenges you'll face in the year ahead, you do know there's no room for risky, wasteful spending or inefficient processes.

So what should you be focused on as you look at the months to come? Leaders and innovators like you are looking for savings, efficiency, productivity, and certainty, and they're finding them in the following trends.





Finance and travel leaders will continue to invest in digital innovation.

When you're facing tepid-at-best economic forecasts, you don't have room for unnecessary spending. At the same time, your people don't have time for inefficient processes that spread their days even thinner.



That's why, throughout 2023, travel and expense (T&E) leaders will continue to invest in digital tools that:

- Provide an increasingly simple, mobile, and guided buying experience for employees – one that improves productivity while boosting morale.
- Use intelligent automation to keep processes moving all day, every day. Systems that manage spending for you – reducing errors, increasing productivity, and continuously improving the process itself.
- Employ AI and machine learning to check and recheck spending against policy – freeing approvers and auditors from examining every charge, so they can focus on what matters most.

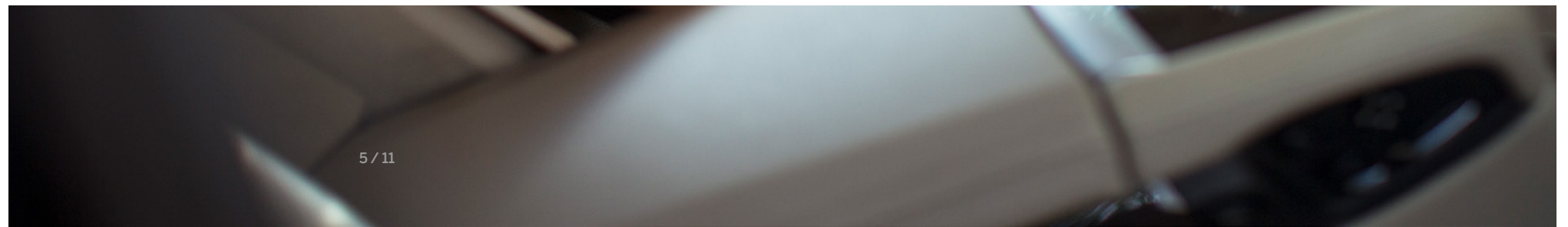


As stated by Alexander Bant, chief of research at Gartner® Finance Practice,¹ in a Gartner Press Release: “CFOs are increasingly looking to the long-term benefits of digital investments, including automation, that can permanently reduce the cost of doing business.”

The days of managing travel through a single, consolidated TMC, and a single source of content like the GDS are over. Modern travel management requires a multi-partner, multi-channel approach.



2 ■ The flexibility of your travel program will become increasingly important.





What's changed? Today's business travelers want the freedom to travel in the way that works best for them – so they can do their best work for you. This demands a more employee-centric travel and expense experience, and that requires the flexibility to choose the right TMC, as well as choosing content sources in addition to the GDS.

Simply put, travelers and businesses must be able to shop for and book travel wherever it works best – whether that's from a GDS on a supplier website, or some other source.

How will innovators build that flexibility? By integrating multiple sources of travel content – from their GDS, direct-connect APIs, third-party aggregators, and varied supplier websites – all to optimize sourcing across multiple markets and trip scenarios while providing transparency across all booking channels.

91% of business travelers have travel flexibility expectations they see as essential to their health and safety.*

Pay Attention to NDC Standards

It's important for travel leaders to ensure their TMCs are prepared to adopt New Distribution Capability (NDC) standards – a new way of transmitting data that allows airlines to distribute content in real time through proprietary APIs. (This content includes auxiliaries like booking baggage, Wi-Fi, and meals separately.) Many global airlines are now setting hard deadlines for NDC, and if you miss them, you'll risk losing access to full content through their traditional channels.

*SAP Concur Business Traveler Pulse Survey 2022



3.

Organizations will embrace purpose-led travel.

When the traditional rhythm of business travel was disrupted in 2020, it gave organizations time to re-evaluate how travel fits into their overall objectives.

Think of how, when, and why we travel for work, and how the mindset has switched from “I have to go” to “Should I go?” This year, companies will keep asking this question, and the response will require a clear purpose for every trip.



How do you lead a purpose-led travel program?

Before your travelers head out the door, make sure you have answers to these questions:

- What's the measurable value of this trip?
- What's the "qualitative" value?
- Does this trip support our sustainability goals?
- Is this trip the right thing to do for a customer or partner relationship?
- Is it important for building relationships and effective plans for internal teams?
- What else can I accomplish on this trip?

Nearly **1 in 4** of business travelers would decline a business trip assigned to them by their company if it required using non-sustainable travel options.*



[*SAP Concur Business Traveler Pulse Survey 2022](#)



In the past, many organizations have separated financial reporting from things like environmental, social, and governance responsibility reporting – often going so far as to create separate annual reports on the subjects.

4. Holistic, integrated metrics and reporting will become commonplace.



Now, they're pulling those reports together to offer a broader look at their businesses.

This process of integrated reporting connects what's coming into a business – from the intellectual talent of employees to natural resources used in manufacturing – to the activities driven by the business and the impact these activities have on society and the environment. Leaders will keep this trend going by:

- Placing greater emphasis on ESG and workforce/people metrics.
- Integrating those metrics with financial measures, aligning all aspects of the business towards wider company goals.
- Presenting unified annual reports that cover all of these subjects.
- And, specifically for employees, providing consistent, clear reporting on measurable sustainability goals – including business travel.

“Integrated reporting requires an integrated business strategy. It creates value beyond just financials, balancing short-term gains with long-term strategy and investment.”

—Luka Mucic, CFO, SAP

Going Forward with the World's #1 T&E Technology

It takes an innovative mindset to build an agile company and move it forward. Now, as always, that takes world-class, next-generation, travel and expense solutions. SAP® Concur® is the world's leading source of those solutions, continually ranked #1 in travel and expense technology – and making up 49% of the market – according to the IDC Market Shares report.*

These are the tools that will ready you for this year and years to come. They'll automate your processes, eliminate traveler friction points, and support an environment where employees are heard and helped. They're how you'll welcome challenges, adapt to changes, and be open to every opportunity this year will bring.

See where SAP Concur solutions can take you from [here](#).

*IDC Worldwide Travel and Expense Management Software Market Shares, 2021

[1. Gartner Press Release, Gartner Survey Shows Significant Rise in Number of CFOs Planning Cost Cuts Due to Inflation, May 19, 2022](#)

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