

Time to Fly: The Impact of Covid-19 on the Present and Future of Business Travel

CHUBB®

2021 Survey



A woman with long blonde hair, wearing a tan coat and dark boots, is seen from behind, pulling a silver rolling suitcase down a modern, glass-walled hallway. The hallway has a polished floor and large windows reflecting the interior lights. The overall atmosphere is professional and modern.

Travel in a Post-Covid World: About the Survey

The travel and hospitality industry has been among the hardest hit economically by the Covid-19 pandemic. Now, with the rollout of highly effective vaccines and improved therapeutics, economies around the world are beginning to stir, and travel – both business and leisure – is picking up again.

As businesses and families prepare for a return to a version of normality, Chubb, the world's largest publicly traded property and casualty insurance company, wanted to gauge perceptions about the impact of the pandemic on travel. What was lost during this period of severely limited travel? How did it impact the effectiveness of business travelers and their employers? In a remote working environment, with few or no opportunities to travel, what worked and what didn't?

The answers to these and other questions are important, as businesses make decisions about future travel budgets, return to office, and the new criteria for traveling to meet with clients, develop business or attend conferences. What travel can be effectively replaced by meeting virtually? What is the opportunity cost of staying at your desk instead of getting on a plane?

To gain insights on these questions, Chubb commissioned Dynata, a leading global provider of consumer and professional data, to conduct a public opinion poll of business travelers globally. This is the first survey of its kind to gauge the views of business travelers around the world – in the United States, Europe, Asia Pacific and Latin America.

The survey was fielded between February 24 and March 30, 2021. The results are based on 2,100 completed surveys. In order to qualify, respondents were screened to be residents of one of 16 countries across four regions, 20+ years of age, currently employed with a minimum household income of \$50,000, and who travel overnight for business in a typical year. The margin of error is +/-2%.

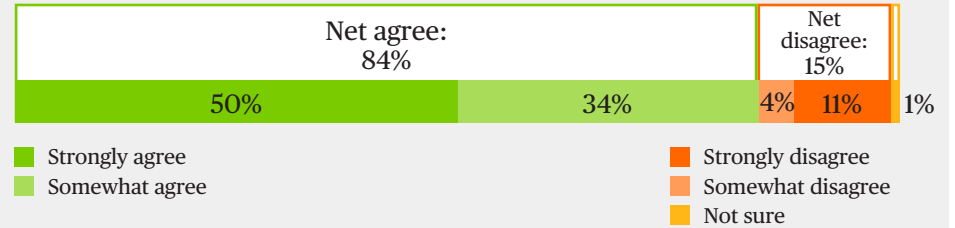
Key Findings

- **Business travelers around the world can't wait to get back on the road – for both work and leisure.** Globally, 84% of business travelers say they cannot wait to travel again. Four out of five say they have personally missed business travel. An even larger share – 87% – say they miss leisure travel.
- **But business travelers still worry that their fellow travelers will put them at risk of getting Covid.** Nearly nine out of 10 business travelers are concerned that their fellow travelers are not responsibly following Covid protocols.
- **Overall job effectiveness has suffered from the pandemic and inability to travel.** Nearly three out of four business travelers say they are less effective in their job due to the pandemic and severely limited travel opportunities. Areas that have been negatively impacted include client service and the ability to maintain relationships with clients and business partners. Around the world, 80% or more of business travelers believe they are missing something important when they cannot see body language or other visual clues that you can only get in an in-person meeting.
- **By clear margins, business travelers believe the pandemic has negatively impacted the ability of their company to develop business, serve clients and maintain business relationships.** Nearly three out of four (74%) say that client and business partner relationships have suffered due to the pandemic. Similarly large percentages say the pandemic has made their company less effective in serving clients and impaired their ability to perform due diligence on new business partners, vendors or suppliers. These views were held broadly by business travelers globally, with little difference in responses across age, income, frequency of travel or geographic region.
- **Business travelers are willing to pay more to keep the middle seat open.** This is the view of three out of four business travelers (75%).
- **Business travelers expect that company travel budgets will be trimmed in a post-Covid world to save money.** This view is shared by 69% of business travelers globally.
- **Most business travelers express high levels of trust in airlines.** Some 85% say airlines are doing everything they can to keep travel safe. Nearly as many (77%) say travel by plane during the pandemic is safe if passengers adhere to safety protocols, including wearing a mask. Among all forms of business travel, the comfort level with flying was highest at 57%, beating out staying at hotels, riding in a taxi, renting a car and taking mass transit. Still, one in five (20%) is not comfortable with any of these aspects of travel during the pandemic.
- **While respondents miss business travel and the benefits of face-to-face meetings, they do acknowledge some benefits from working virtually.** Notably, 73% say they can productively use the time they would have spent traveling. And 82% say that videoconferences and phone calls can be effective alternatives to business travel.
- **Business travelers are paying more attention to what travel insurance covers.** More than four out of five business travelers (81%) say the pandemic will make them pay more attention to what travel insurance coverage they have before taking a trip. Business travelers also broadly agree (86%) that having travel insurance makes them more comfortable when traveling for business or leisure.
- **Respondents are more comfortable traveling for business than leisure.** Survey respondents are twice as likely to be more comfortable traveling for business than leisure. One reason cited: business is important to their livelihood.
- **Business travelers expect another pandemic.** Some 80% of business travelers – including 43% who strongly agree – expect another pandemic at some point in the future.

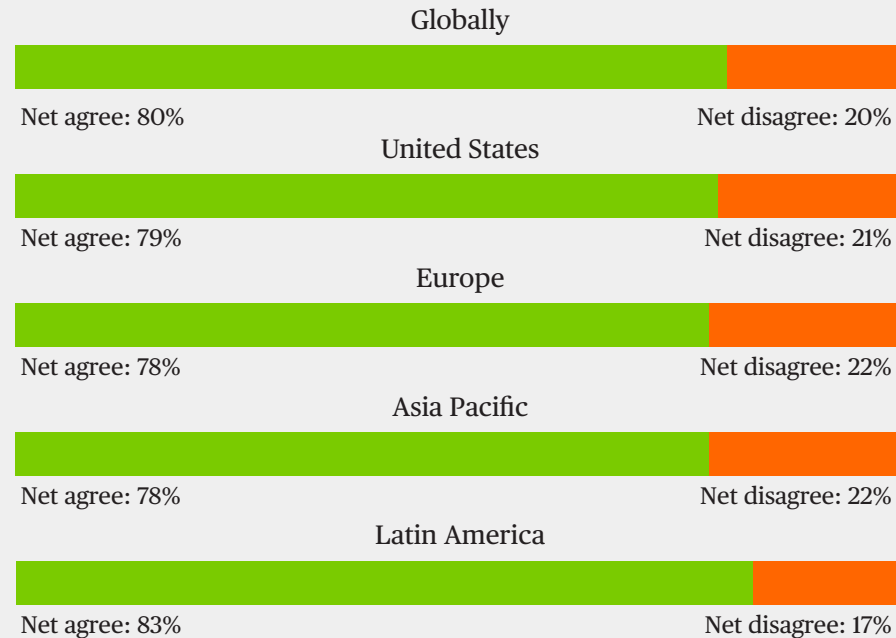
Business travelers cannot wait to get back on the road – for both work and (even more) for leisure.

- 84% of business travelers cannot wait to travel again.
- 80% personally miss business travel.
- 87% personally miss leisure travel.

► I cannot wait for the pandemic to be over so I can travel again



I personally miss business travel



I personally miss leisure travel



Taking stock: Nearly 75% of business travelers say the pandemic and inability to travel negatively impacted their overall job effectiveness. There were other costs as well, including the ability to serve clients effectively.

- Since the beginning of the pandemic, there have been countless surveys of workers and employers gauging productivity and effectiveness during the pandemic. We wanted to see what business travelers thought about these questions. The results are striking: large majorities of business travelers are in agreement about the negative impacts of Covid on their own job effectiveness (74%), client service (77%) and ability to maintain relationships with clients and business partners (78%).
- Notably, there was little difference in responses across age, income, frequency of travel or geographic region.

► Percentage of business travelers who agree that the pandemic has had a negative impact on their job in the following ways

	By Region				
	Total	North America	Europe, Middle East & Africa	Latin America	Asia Pacific
Overall effectiveness in my job	74%	73%	72%	74%	75%
My ability to maintain relationships with clients and/or business partners	78%	76%	74%	80%	80%
My ability to serve my clients as effectively as I want	77%	74%	75%	82%	77%
My ability to develop new business/sales	75%	74%	73%	74%	78%

In addition to negatively impacting their own effectiveness on the job, business travelers say the Covid pandemic has had negative consequences for the companies they work for. Among the areas that have suffered:

- 74% say the ability to maintain strong client or business partner relationships has suffered.
- The same percentage (74%) say the pandemic has impacted their company’s ability to generate new business or sales.
- Nearly as many (73%) believe their companies are less effective in serving clients and business partners while 63% say it’s harder to maintain product and service quality from vendors and suppliers.
- More than seven in 10 (72%) see deficiencies in their ability to perform due diligence on new business partners, vendors or suppliers.

▶ Percentage of business travelers who agree that the pandemic has negatively impacted their company or organization in the following ways

	By Region				
	Total	North America	Europe, Middle East & Africa	Latin America	Asia Pacific
Our ability to maintain strong client or business partner relationships	74%	75%	73%	68%	79%
Our ability to generate new business or sales	74%	75%	71%	72%	77%
Our ability to serve clients and business partners effectively	73%	75%	68%	70%	77%
Our ability to perform effective due diligence on new business partners, vendors or suppliers	72%	73%	70%	68%	77%
Our ability to provide enough learning and professional development opportunities for employees	72%	73%	69%	70%	75%
Our ability to maintain product and service quality from our vendors and suppliers	69%	69%	68%	63%	75%
Opportunities to recognize and reward employees	68%	71%	65%	67%	70%

Reading the room: Business travelers are missing something important when they cannot see body language or other visual clues that you can only get in an in-person meeting.

The responses to this question were strikingly similar for every region around the world.

► To what extent do you agree or disagree: I'm missing something important when I cannot see body language and other visual clues that you can only get in an in-person meeting

	By Region				
	Total	North America	Europe, Middle East & Africa	Latin America	Asia Pacific
Agree (Net)	82%	83%	81%	80%	83%
Strongly agree	35%	40%	34%	37%	27%
Somewhat agree	47%	43%	47%	43%	56%
Disagree (Net)	18%	17%	19%	20%	17%
Somewhat disagree	14%	13%	15%	16%	15%
Strongly disagree	4%	4%	4%	4%	2%

Spotlight on travel insurance

The pandemic has put travel insurance more top of mind for business travelers.

81%

More than four out of five business travelers say the pandemic will make them pay more attention to what travel insurance coverage they have before taking a trip.

By region:

North America: 73%
Europe, Middle East & Africa: 80%
Latin America: 89%
Asia Pacific: 83%

86%

Business travelers broadly agree that having travel insurance makes them more comfortable when traveling for business or leisure.

By region:

North America: 82%
Europe, Middle East & Africa: 82%
Latin America: 90%
Asia Pacific: 88%

Comfort zone: how business travelers rank their level of comfort – and discomfort – with different aspects travel.

- Not surprisingly, business travelers are least comfortable attending large, in-person events or using mass transit.
- Notably, business travelers are more comfortable getting on a plane than staying at a hotel, eating indoors at a restaurant, riding in a taxi or renting a car.
- One in five business travelers (20%) is not comfortable with any of these activities during the pandemic.

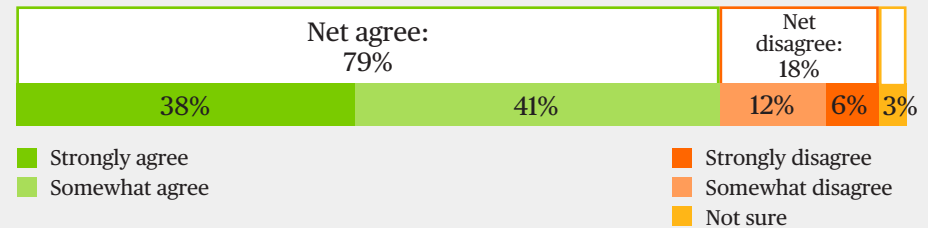
► Which of the following do you feel comfortable doing during the Covid pandemic?

	By Region				
	Total	North America	Europe, Middle East & Africa	Latin America	Asia Pacific
Flying (domestically and/or internationally)	57%	64%	46%	54%	65%
Staying in a hotel	52%	54%	51%	49%	55%
Flying domestically	47%	52%	36%	48%	52%
Eating indoors at restaurants	39%	43%	32%	35%	46%
Renting a car	39%	39%	40%	37%	40%
Flying internationally	31%	36%	33%	27%	28%
Taking a taxi or ride share service	30%	28%	27%	28%	36%
Taking mass transit (trains, subways, buses, etc.)	23%	22%	26%	14%	29%
Attending functions or events with more than 100 people	12%	18%	9%	7%	14%
I am not comfortable undertaking any of these activities	20%	16%	21%	29%	14%

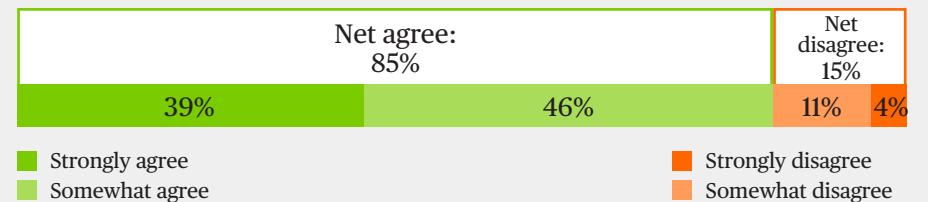
Who do you trust? Business travelers are confident that their employers will take care of them. They trust that airlines are doing everything they can to be safe. But nearly nine out of 10 business travelers are concerned that their fellow travelers are not responsibly following Covid protocols.

- 79% of business travelers say their company or organization will take care of them if they get sick while traveling for business.
- 85% believe airlines are doing everything they can to operate safely.
- 88% are concerned that other travelers who don't follow protocols put them at risk. Fully 53% feel strongly about this. No other survey question prompted a higher degree of strong agreement.

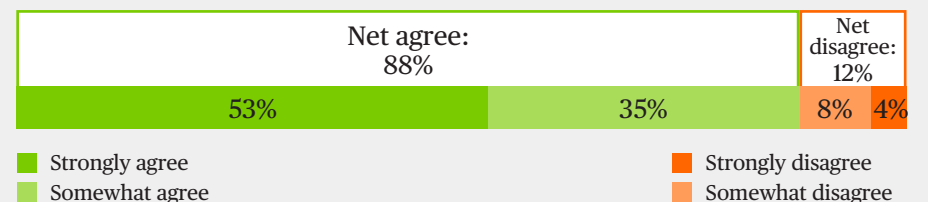
► My company/organization will take care of me if I get sick while traveling for business



► Airlines are doing everything they can to operate safely



► I am concerned that other travelers who are not following appropriate pandemic protocols put me at risk



Up in the air: Keeping the middle seat open

75% Three out of four business travelers are willing to pay more to keep the middle seat open.

Agreement by region:

- North America: 78%
- Europe, Middle East & Africa: 68%
- Latin America: 82%
- Asia Pacific: 72%

77% More than three out of four business travelers say flying has been safe if you follow safety protocols like wearing a mask.

Agreement by region:

- North America: 77%
- Europe, Middle East & Africa: 71%
- Latin America: 77%
- Asia Pacific: 81%

Business versus leisure travel: Survey respondents are twice as likely to be more comfortable traveling for business than leisure. One reason cited: business is important to their livelihood.

- 31% of business travelers say they are more comfortable traveling for business than for leisure. Only 15% would be more comfortable traveling for leisure. Just over one third are equally comfortable traveling for business and leisure.
- One key reason why business travelers are willing to take the risk of getting on the road for work: it's important for their livelihood.

► During the pandemic, how comfortable are you traveling for business compared to leisure?

	By Region				
	Total	North America	Europe, Middle East & Africa	Latin America	Asia Pacific
More comfortable traveling for business than leisure	31%	43%	22%	26%	34%
About the same	36%	31%	44%	26%	43%
More comfortable traveling for leisure than business	15%	13%	17%	21%	10%
I am not comfortable traveling for business or leisure	18%	13%	17%	27%	13%

► Agree or disagree: I would be more comfortable traveling for business than for leisure in the pandemic because it is important for my livelihood

	Total	North America	Europe, Middle East & Africa	Latin America	Asia-Pacific
Agree (Net)	68%	68%	62%	73%	69%
Disagree (Net)	32%	32%	38%	27%	31%

Business travelers believe that the pandemic will permanently change business travel in the future – and one of those changes is a reduction in company travel budgets.

■ Nearly 70% of business travelers expect their companies to cut travel budgets in a post-Covid world.

► Percentage of business travelers who agree with the following statements

	By Region				
	Total	North America	Europe, Middle East & Africa	Latin America	Asia-Pacific
The pandemic will have a lasting impact on business travel	82%	77%	81%	85%	83%
My company/organization will try to minimize business travel to save money	69%	69%	67%	64%	74%

Lodging concerns: By an overwhelming margin, business travelers say they want to understand the safety protocols at a hotel before they stay.

- Nine out of 10 business travelers want to understand hotel safety protocols at a hotel before they stay.
- More than half (52%) strongly agree – a level of intense agreement matched by only one other survey question.

► To what extent do you agree or disagree: I want to understand the safety protocols at a hotel before I stay

	By Region				
	Overall	North America	Europe, Middle East & Africa	Latin America	Asia Pacific
Agree (Net)	90%	86%	88%	95%	89%
Strongly agree	52%	54%	42%	70%	42%
Somewhat agree	38%	32%	46%	25%	47%
Disagree (Net)	10%	14%	12%	5%	11%
Strongly disagree	7%	10%	9%	3%	7%
Somewhat disagree	3%	4%	3%	2%	4%

Taking the good with the bad: While respondents miss business travel and the benefits of face-to-face meetings, they do acknowledge some benefits from working virtually.

- 73% say they can productively use the time they would have spent traveling.
- More than four out of five (82%) say that videoconferences and phone calls can be effective alternatives to business travel.

► Percentage of business travelers who agree with the following statements

	By Region				
	Total	North America	Europe, Middle East & Africa	Latin America	Asia-Pacific
Video conferences and phone calls are an effective alternative to business travel	82%	76%	77%	91%	83%
Virtual conferences/events are an effective alternative to in-person events	81%	75%	75%	92%	83%
I can be more productive when I don't have to spend so much time on the road	73%	75%	65%	70%	82%



This pandemic . . .

87% of business travelers have been personally concerned about contracting Covid-19 and are taking steps, such as wearing a mask and avoiding large groups, to reduce the risk.

But only 74% say they always follow government rules. Another 24% say they sometimes follow Covid restrictions. Adherence to Covid safety protocols is highest among travelers in Latin America at 87%.

The next pandemic . . .

80% of business travelers – including 43% who strongly agree – expect another pandemic some time in the future.

Methodology

The current research was conducted by Dynata, a leading global provider of first-party consumer and professional data. The survey was fielded between February 24 and March 30, 2021. In order to qualify, respondents were screened to be residents of one of 16 countries across four regions, 20 years of age or older, and currently employed with a minimum household income of \$50,000 (in the U.S.; comparable countries vary). In addition, respondents travel overnight for business in a typical year.

The results are based on 2,100 completed surveys. The margin of error for the is +/-2% in the aggregate. A demographic breakdown of respondents is as follows:

Gender:

- Male (64%)
- Female (36%)

Age:

- 20 to 35 (26%)
- 36 to 45 (25%)
- 46 to 55 (23%)
- 56 to 65 (21%)
- 66+ (6%)

Regions:

- North America (57%)
- Europe, Middle East and Africa (14%)
- Latin America (14%)
- Asia Pacific (14%)

*Data weighted by region, 25% each

Socioeconomic Status:

- Middle class: \$50,000-\$99,000 (27%)
- Upper middle class: \$100-\$249,000 (63%)
- Wealthy: \$500,000 or more (10%)

*In U.S., varies by country