

UBER-POWERFUL?

CONSULTANT JÖRG MARTIN'S COLUMN.

TEXT: JÖRG MARTIN

Share economy options à la Airbnb and Uber are on the move. Will this trend soon conquer the world of business travel?

No-frills carriers. Not too long ago, travel managers were fond of poking fun at the newcomers with the lean business models. The idea of no frills was equated with the absence of essential services like rebooking and transfer options. Nice for private individuals – but nothing for business travellers! So far, so outdated. Today, it is share-economy companies like Uber or Airbnb whose tremendous success is prompting people to wonder whether we will select such options for business travel in the future. Are economically priced private cars and apartments a cost-lowering alternative to taxis and hotel rooms?

Right now, the commercial shuttle service offered by Uber is definitely not an option for business travel. It will not be an option as long as passengers have no insurance coverage – we would violate our duty of care by using such services. And it will not be an option as long as the private drivers do not accept credit cards and

the payment system does not include value added tax.

What if Uber and similar companies respond to the legal concerns and make the necessary changes? At that point – and only at that point – will the issue be reexamined. I think Airbnb has already taken this approach. It has now regulated the invoice issue. Taxes are now shown and credit cards are accepted. Nonetheless, I still find it difficult to say this to business travellers: »You will be staying in rented private accommodations!« How are they supposed to know if they will be staying there by themselves or not? Whether they will have their own bathroom or have to share one? Whether their unit can be locked? Our duty of care applies here as well.

Of course, if the exclusive use of locked accommodations is assured, then this option can certainly be an appealing solution for trade fairs and long-term stays. But I would have a hard time making this booking option mandatory. After all, it is hardly possible to compare offers. Unlike HRS, Hotel.de and Booking.com, Airbnb has no clear criteria. And given the amount of time that goes into conducting searches, the monetary savings are eaten up relatively fast.

As a result, I urge travel managers to analyse the strengths and weaknesses of these new providers. This

analysis should address such questions as: How can I integrate them into my booking and payment processes? How can I locate my travellers etc.?

The low-cost carriers have modified their models and helped to create dramatic changes in the market set-up. Companies stand behind them. But Uber, Airbnb and similar companies are focusing on private providers. Millions of them. 📌



Jörg Martin of CTC Corporate Travel Consulting: Uber and others are not an option yet

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