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White paper suggests time is right for corporate travel managers to include short-term rental providers on their mainstream travel programmes

A White Paper produced by the Travel Intelligence Network suggests that corporate travel managers who have not yet included short-term rental providers as part of their formal travel booking programme could potentially be missing out on delivering a better quality accommodation solution and more options for their employees. It found that the current business travel landscape has changed markedly from the pre-pandemic model, driven by business travellers' new requirements and the need for greater flexibility from employers for where and how people work.

The White Paper: [*A new Alternative for Business Stays – why short-term rentals meet business travellers' post-pandemic needs*](#), commissioned by the UK Short Term Accommodation Association (STAA) found that, with business travel activity returning to close to pre-pandemic levels this year, there are now several other factors to consider when booking accommodation for business travellers. It found that employers are now giving their employees a bigger say in where they want to stay when away on business.

A third (32%) of travel managers have recognised the benefits that short term rentals can add to their travel programmes by including them in their corporate booking tool or having agreements with specific branded apartment or home rental providers*¹. That still leaves a sizeable chunk of the sector that needs to rethink its strategy.

It's estimated that 38% of UK employees will travel on business this year*² and while 57% of companies still expect their level of business travel to be the same or more than pre-pandemic*³ there is now a different landscape. For instance:

- Fewer employees per company are travelling but trips are longer. 54% of companies will see fewer trips per employee overall but with 43% taking longer, multi-purpose business trips instead. *⁴
- 38% of travel managers do not believe that hotels will be able to meet the demand for business travel in 2022 opening the doors to alternative accommodation types.*⁵

These factors have caused 80% of companies to rethink their business travel programmes.*⁶

Short-term rentals are the fastest growing segment in accommodation and forecast to account for 18% of the European accommodation market by the end of 2022. In 2008 it was 10%.^{*7}

The global business travel spend for 2022 is forecast to be worth \$1.4 trillion, back to 2019 levels, and could grow to \$1.5 trillion by 2025.^{*8} 72% of UK travel managers say they are optimistic about these forecasts, which means there is a great opportunity for short-term rentals.^{*9} If they grow their share of the business travel market to 5% it would be worth \$8bn worldwide and £235m in the UK. Members of the STAA have already reported a 25% increase in business travel bookings since the pandemic ended.

Business travel managers are having to balance their organisations' strategic objectives for cost control, talent retention, increased productivity, ESG and diversity with the changing preferences from their employees who are travelling for business. These include a greater focus on personal safety, sustainability, a wider choice of in-trip products and being able to work effectively in transit. The pandemic has proven that 'working from anywhere' can be effective, which means employees are now more inclined to travel if the length of stay and type of accommodation matches their needs.

One of the key things that might have discouraged travel managers from incorporating short-term rentals into their travel programmes was the perception that they are run by individuals that do not conform to specific industry standards. However, according to Skift, 40% of the short-term rental industry is professionally managed.

Merilee Karr, CEO, UnderTheDoormat Group, said, "When people understand the distinction between peer-to-peer and professionally managed short-term rentals, the penny drops. Post-pandemic, the professional side is growing as property owners who started out as peer-to-peer operations decide they don't want to do everything themselves and hire professionals to do it for them instead."

The short-term rental sector through the STAA has been working with accreditation organisation Quality in Tourism to set minimum operating standards in safety, cleanliness and compliance with legislation, which are what most travel managers would regard as prerequisites to be included in their travel programmes.

The second significant issue that can be overcome is that of distribution. For corporate, and indeed Government, travel bookers, being able to access accommodation at just one source is a must. The STAA has addressed this by bringing together more than 30 professionally-managed short term

rentals operators onto one platform, TrustedStays. The quality accreditation and standards of all the companies on TrustedStays ensures that companies booking accommodation can meet their duty of care requirements, while offering a wider range of options.

Dale Smith, CEO of Host & Stay, said, “Corporates are looking for more space. Although we've seen rates rise significantly over the last 12 months, short term rentals can be very cost effective – especially if corporates are travelling in groups. A four bedroom property shared between four people is always going to be cheaper than four separate hotel rooms. Then there’s the opportunity to dine in rather than out, so the value proposition is better from a short-term rental than what we see from hotels.”

Karr summarises, “What this White Paper identifies very clearly is that professionally run short-term rentals can play a key role for many corporate and Government travel managers. With good accreditation and high standards coupled with flexibility and the attraction of more space for longer stays, and the ease of access through TrustedStays we are looking forward to working with many new customers in the new post-pandemic landscape we are entering.”

The full White Paper can be found [here](#).

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Notes to editors

*1 Deloitte Corporate Travel Survey 2022, N=150

*2 Department for Transport (DfT)

*3 GBTA Business Travel Recovery poll April 2022

*4 Ibid

*5 SAP Concur - <https://skift.com/2022/04/07/group-and-business-travel-make-a-stellar-first-quarter-comeback/>

*6 GBTA Business Travel Recovery poll April 2022

*7 Skift Research, Eurostat, IMF historicals from Eurostat 2008-2020, Skift estimates 2021-22 and estimates for short-term rentals sharing economy 2011-2022. Forecast as at April 2022

*8 Global Business Travel Association (GBTA)

*9 ITM

For STAA media enquiries, please contact:

Rob Davies at oneonone communications, rob@ooc.co.uk 07709 366310

About the STAA

The [UK Short Term Accommodation Association \(STAA\)](#) was founded in March 2017 to support the development of short-term accommodation in the UK, ensure greater co-operation in tackling common industry challenges and seize shared opportunities. It seeks to work with all stakeholders towards a stable and supportive regulatory environment that promotes the UK as a global leader in the provision of short-term accommodation.