Oct 2021

Dear Leadership Exchange Members,

Attached is our Global Staffing Benchmark Report. This is a recent initiative we undertook which showcases travel management headcount data for travel buyers. Based on 21 large and mega buyers surveyed in September, the report benchmarks total headcount relative to travel spend, internal vs. external resources applied, share of responsibilities and more.

We view this as a first of its kind for our industry, with the GoldSpring Global Staffing Benchmark Report giving buyers a new mechanism to look at headcount with precision focus. Participating travel managers can use information to optimize applied resources and justify shifting or reassigning headcount.

The current industry report lets buyers see average headcount per $10 million in spend (USD). The report also shows headcount breakout by internal and external resources (corporate vs. TMC and other) and percent of staffing dedicated to various program areas (air, hotel, OBT, communication, etc.)

Each participating buyer receives what GoldSpring calls a Travel Management Global Staffing Index -- a metric used to indicate total headcount per $10 million in travel spend (combined air and hotel spend). By far, the buyer Travel Management Global Staffing Index tends to average between .5 and 1.5 with only three of the 21 buyers surveyed outlying with more than 2 heads per $10 million in spend.

We hope you find this information of value, and as always, we appreciate your participation in the Leadership Exchange.

Warm regards,
Your GoldSpring Team

GoldSpring Consulting • 1841 S Lakeline Blvd, Ste 101 # 318, Cedar Park Texas, 78613 • GoldSpringConsulting.com

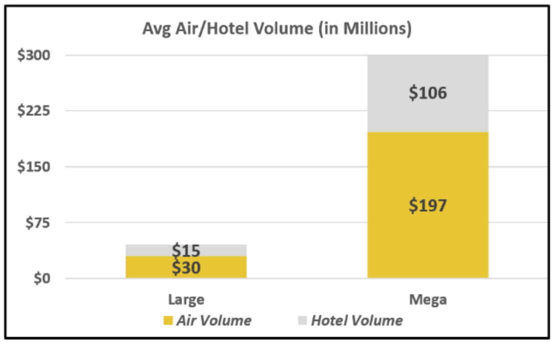
Global Staffing Benchmark Report

The GoldSpring Consulting Global Staffing Benchmark Report showcases travel management headcount data for travel buyers. Based on 21 large and mega buyers surveyed in September 2021, the report benchmarks total headcount relative to travel spend, internal vs. external resources applied, share of responsibilities and more. Buyers reported 2019 data to benchmark typical travel spend levels prior to pandemic.

About the Report Participants

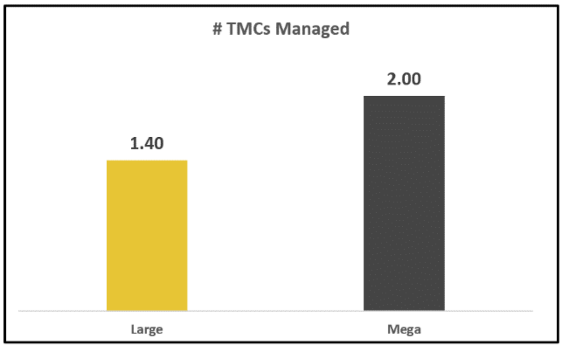
Average Travel Spend:

Participants are Large and Mega buyers with average spend (Air and Hotel) of $45 million (USD) for Large buyers and $300 million for Mega buyers.



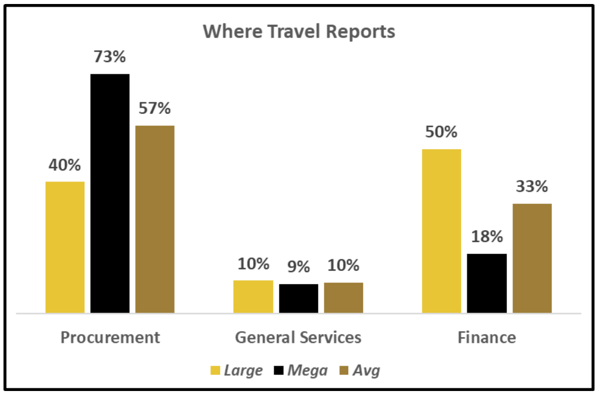
Average Number of TMCs Managed:

Average number of TMCs managed for Large buyers is 1.4 and average number of TMCs for Mega buyers is 2.



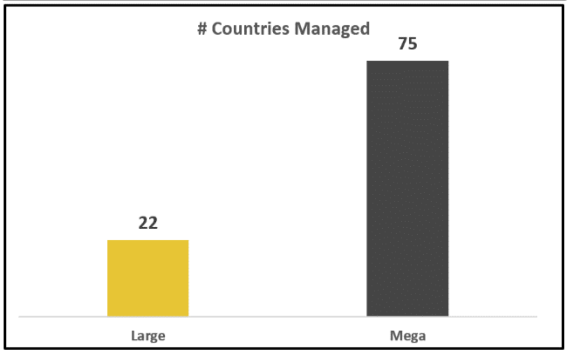
Where Travel Reports:

Procurement oversight is more significant with mega buyers than large buyers. ***Majority of mega buyers report to procurement (70%), whereas majority of large buyers report to finance (50%).*** This is congruent with the ongoing trend toward travel management taking its place as a spend category to be managed within the procurement umbrella. Mega buyers may be leveraging more economies of scale with this organizational structure.



Average Number of Countries Managed:

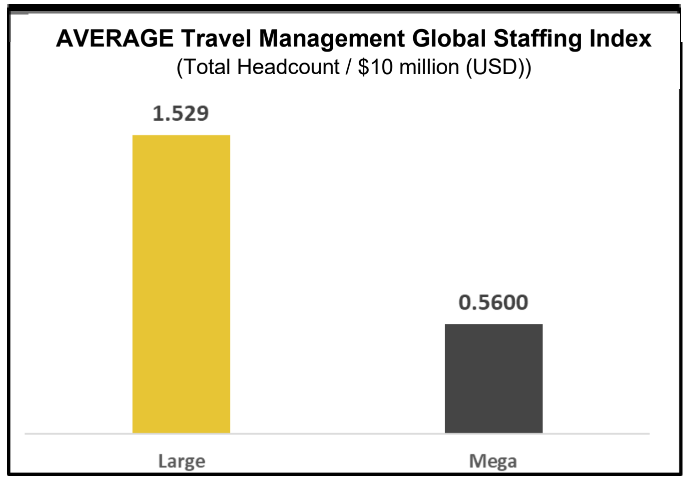
Average number of countries managed for Large buyers is 22, and average number of countries for Mega buyers is 75.



Headcount Overview

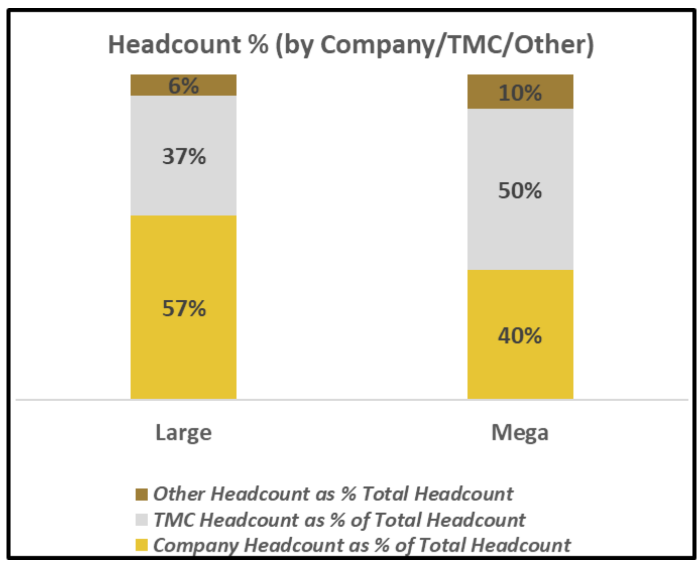
Average Total Headcount:

Large buyers average 1.5 heads per $10 million (USD) travel spend. Mega buyers average .56 heads per $10 million. ***Mega buyers do more with about 1/3 less headcount (per $10 million) than the large buyers.*** Synergies mostly result from fewer TMCs to manage, regardless of number of countries managed.



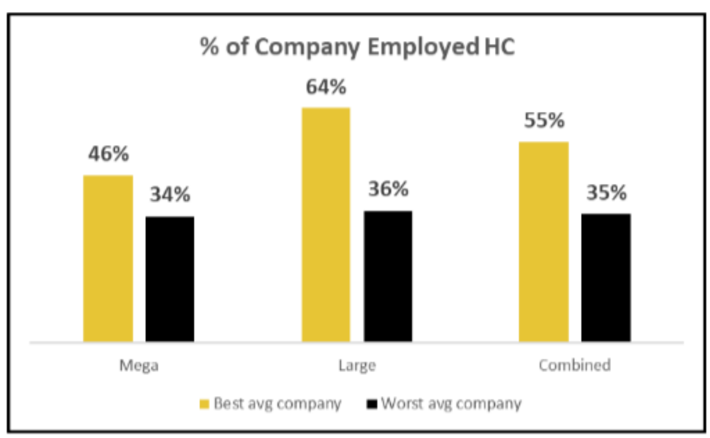
Internal vs. External Travel Management Headcount:

Mega buyers utilize more TMC management than large buyers, moving headcount off their books onto the suppliers. ***Mega buyers utilize 13% more TMC headcount than Large buyers.*** The small "other" headcount category mainly comprises contractor and consultant heads – either as interim support or project-based support.



Best Performers:

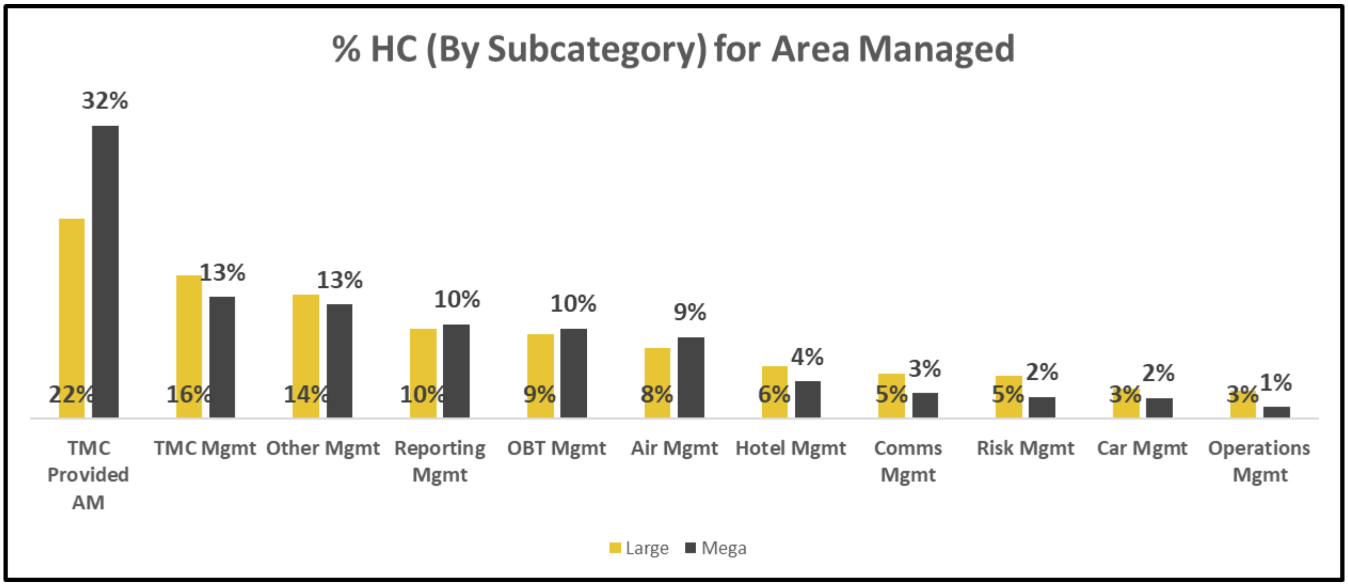
Best performers (participants with less TOTAL headcount) have higher COMPANY headcount than outsourced headcount. **Company headcount averaged 20% MORE than outsourced headcount for the best performers** than the worst performers. Best performers rely more on internal headcount than external/outsourced headcount.



Resources Applied

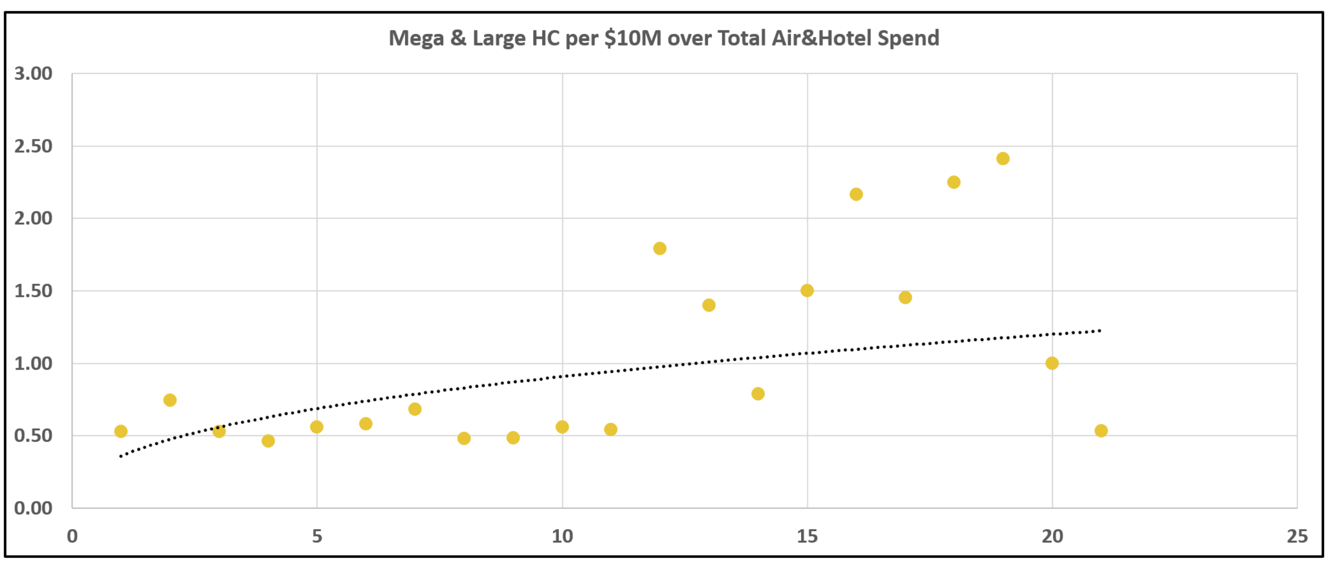
Headcount by Area Managed:

In terms of where headcount is applied, understandably, most is attributed to TMC provided account management (22% Large, 32% Megas). Megas utilize more account management headcount than Large buyers for program oversight moving that headcount off of Mega payrolls. This aligns with the previous data point demonstrating Mega buyers outsourcing more headcount to TMCs than Large buyers. The 2nd largest tier of areas managed incorporate TMC Management, Other Management, Reporting, OBT and Air. Following another significant drop, the 3rd and last tier encompasses Hotel, Communication, Risk, Car and Operations Management.



Headcount Spread

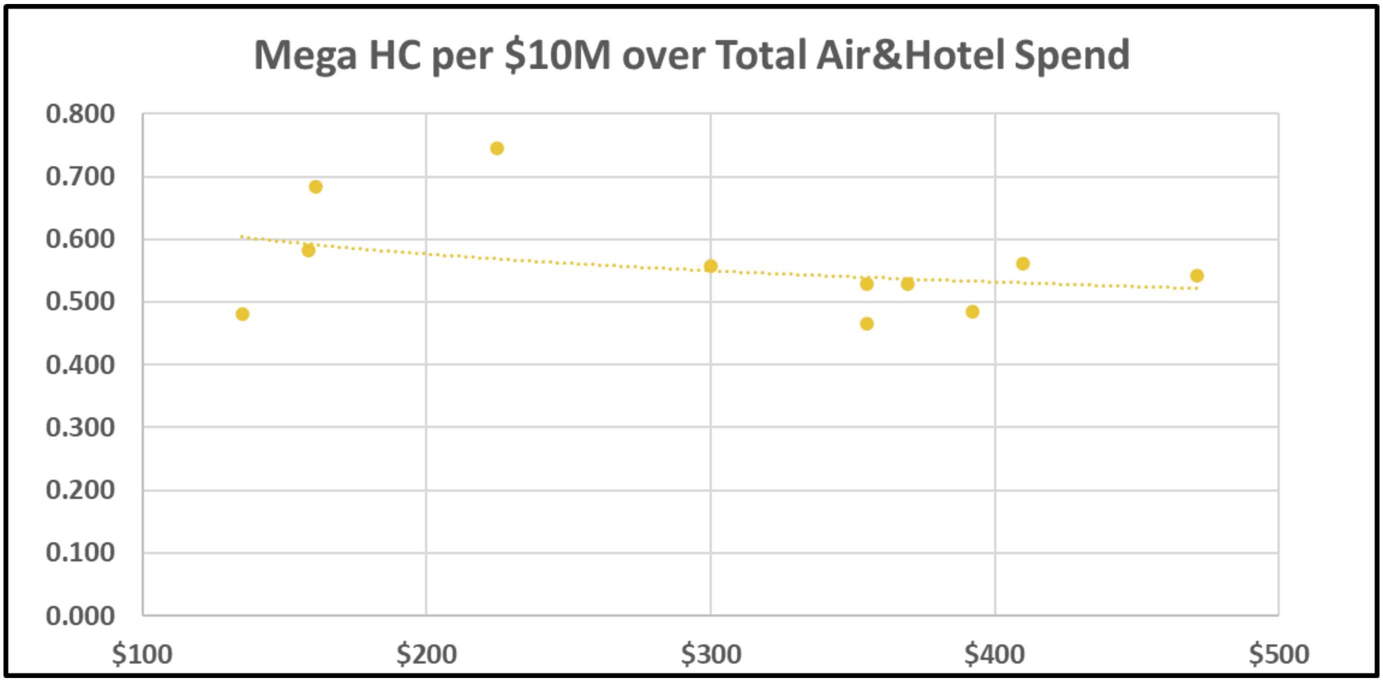
By far, buyers tend to average between .5 and 1.5 heads per $10 million in travel spend, with only three of the 21 as outliers with more than 2 heads per $10 million in spend.

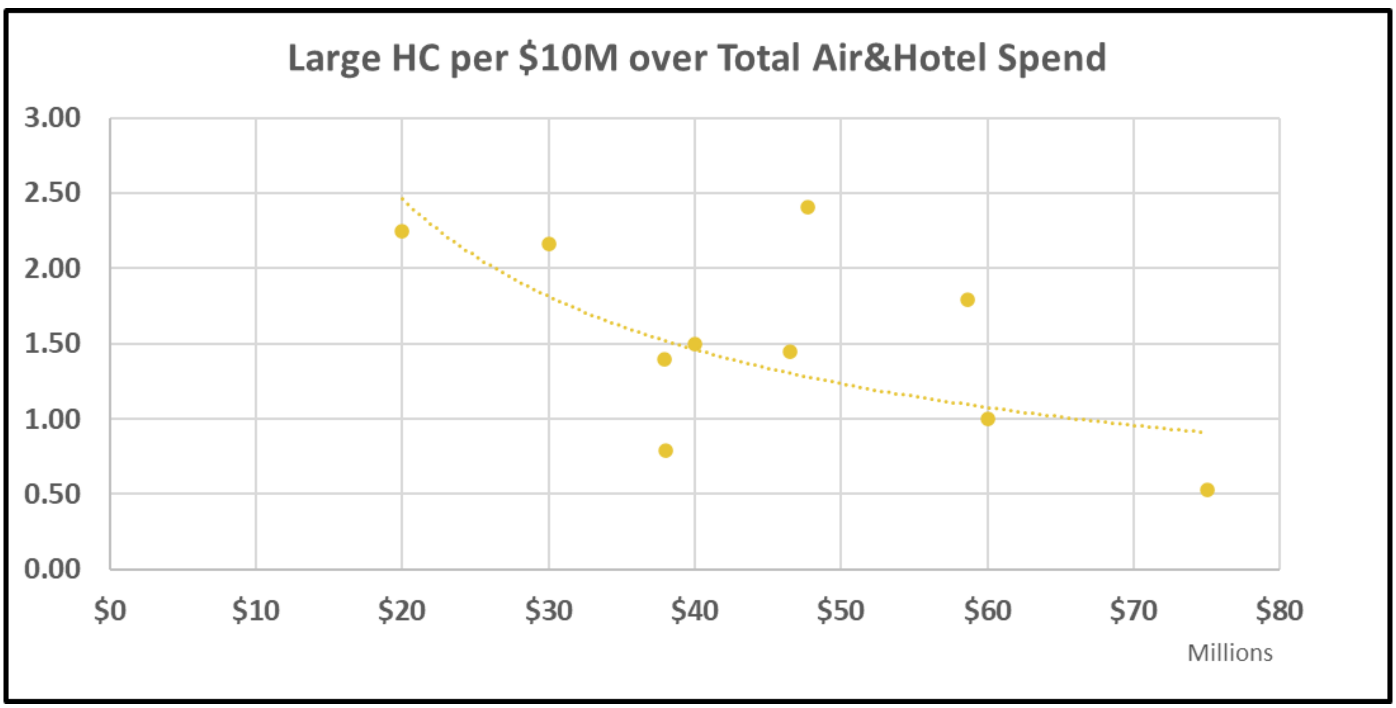


Headcount Spread (cont.)

Mega vs. Large:

Mega buyers are much more similar in approach than Large buyers. The tighter grouped distribution for Megas supports a more cohesive headcount philosophy, while the Large has a more varied approach to headcount, primarily due to the maturity and tenured management of these programs. Many processes are standardized, yielding more efficient headcount management.

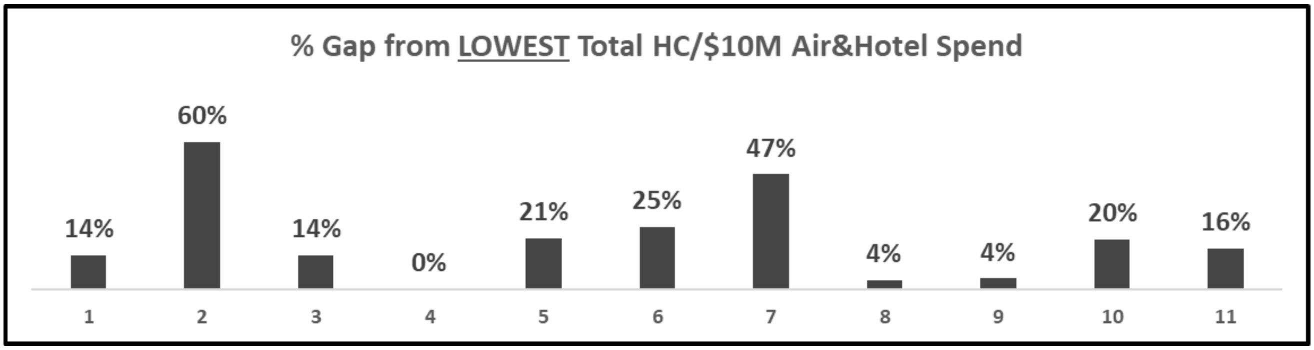




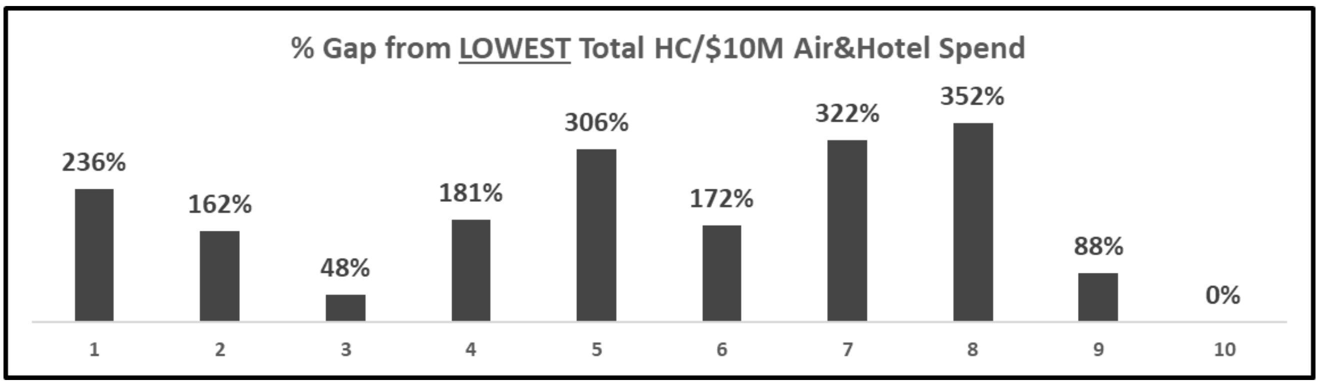
Headcount Spread (cont.)

Gap From Lowest Headcount:

Observing the gap from the lowest headcount, the widest gap among Mega buyers is 60 percent more headcount (buyer #2) than lowest (buyer #4). Again, less variance between Megas than Large buyers as indicated below.



Observing the gap from the lowest headcount, the widest gap among Large buyers is 352 percent more headcount (buyer #8) than lowest (buyer #10). Much more variance between Large buyers than Mega buyers.



Conclusion

Travel Management Global Staffing Index (headcount per $10 million (USD)) is between .5 and 1.5 for 81% of travel buyers. Not surprisingly, Mega buyers leverage economies of scale, do more with less and outsource more headcount to TMCs. Mega buyers are much more similar in their management approach as a group than the Large buyer group. But surprisingly, the Company headcount averaged 20% MORE than outsourced headcount for the very top performers. The majority of resources across the board are applied to program management and reporting (including TMC account management, management of TMC and other management and reporting).

GOLDSPRING CONSULTING

www.goldspringconsulting.com -- 832-314-1659