



WWF  
REPORT

UK

2011

Climate change

Conservation

Sustainability

# Moving on: why flying less means more for business

## CONTENTS

Executive summary	3
Objectives	7
Main findings of the survey	10
1 Your company and climate change	10
2 Changes in travel and meeting practices	13
3 Consequence of these changes	22
4 Future travel and meeting intentions	26
5 Company actions and support	28
Case Studies	32
Summary	36
Appendix 1 – research methodology	38
Appendix 2 – acknowledgements	39



Critical Research is one of the UK's leading independent specialists in market research with an established reputation and proven track record in business-to-business research. [www.critical.co.uk](http://www.critical.co.uk)



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## EXECUTIVE SUMMARY

Tackling climate change is one of WWF's priorities and will be vital if we're to ensure a future in which people and nature thrive together.

The UK is committed to cutting emissions of greenhouse gases by 80% by 2050, compared to 1990 levels. A reduction of at least this amount is necessary to avoid uncontrollable changes to the way our planet works – which would threaten the existence of many species and the livelihoods of communities all around the world.

Carbon dioxide (CO<sub>2</sub>) is the main greenhouse gas contributing to climate change, and aviation is one of the fastest growing sources of CO<sub>2</sub>. Emissions from UK aviation have increased 120% since 1990<sup>1</sup>. Although the aviation industry has committed to improvements in fuel efficiency, currently the industry's growth far exceeds fuel efficiency gains. So the amount we fly needs to be addressed. In its recent report<sup>2</sup>, the Committee on Climate Change recommended that UK aviation emissions do not exceed 2005 levels by 2050, a target set by the previous government. Achieving this target will ensure that the aviation sector plays its part in a low-carbon economy. In the UK, 22% of passengers fly for business purposes, representing an important source of revenue for airlines<sup>3</sup>.

### Background

In 2008 we published *Travelling Light: Why the UK's biggest companies are seeking alternatives to flying*<sup>4</sup>. It was one of the first reports to capture the interest among FTSE 350 companies in alternatives to business travel. The report revealed that there was an appetite among businesses to use emerging technologies, such as high-definition videoconferencing, to reduce staff travel – especially flying. This trend has continued in the intervening years as developments in telepresence systems, smart phones and laptops, alongside faster broadband connections, have become available to

<sup>1</sup> Committee on Climate Change. 2009. *Meeting the UK Aviation target – options for reducing emissions to 2050*. Committee on Climate Change, London, UK.

<sup>2</sup> Committee on Climate Change. 2010. *The Fourth Carbon Budget – Reducing emissions through the 2020s*. Committee on Climate Change, London, UK.

<sup>3</sup> Civil Aviation Authority. 2009. *CAA Passenger Survey Report 2009*. Economic Regulation Group, CAA, London, UK

<sup>4</sup> WWF UK. 2008. *Travelling Light: Why the UK's Biggest companies are seeking alternatives to flying*. WWF UK, Godalming, UK.

more employees. This has enabled employees to become mobile workers, reducing the need to be in the office, and facilitating new ways of working, questioning the need to travel.

In September 2010, we commissioned Critical Research to carry out similar market research to that of *Travelling Light*. We wanted to understand changes to business travel and meeting practices within large UK companies during the past two years, while the UK has been in a recession. From a sample of the largest 500 companies, 158 interviews were undertaken.

### Key findings

- 86% of companies are either reducing their carbon footprint from business travel or intend to do so.
- 47% have reduced the number of business flights they've taken in the last two years.
- 63% of companies that responded now have a policy in place to reduce business flights, or are intending to implement one. This reduction in business flying is likely to be permanent.
- Of those companies which have cut their flying, 85% do not intend to return to 'business as usual' levels of flying. From this same group, the vast majority agreed that it's possible for a company to fly less and remain both profitable and competitive.

There's been an increase in the use of different types of conferencing, with videoconferencing deemed as the best alternative to flying. As the technology improves and staff become more familiar with it, further uptake is expected. It's clear that change is being driven from the top and that businesses have made board-level decisions to reduce their business flights. And that we're seeing a new approach to business travel and meeting practices. Respondents reported that they expect to encourage more use of all conferencing technologies in the next two years.

This research has shown that there have been changes in the patterns of flying. Domestic and short-haul flights are easier to cut than long-haul flights, with audio and videoconferencing the best substitutes. Improvements to the UK and European train network have contributed to a modal shift from the plane to the train, especially for

domestic flights and only marginally less so for short-haul flights. Eurostar and other high-speed rail companies continue to shorten journey times, and provide staff with a mobile office – with laptops and smart phones enabling staff to remain productive while travelling on the train.

### Main reasons for reducing travel

The findings and case studies in this report demonstrate these key benefits of cutting travel:

- Significant savings to travel budgets
- Reductions in companies' carbon footprint
- Increased flexibility for staff, and improved work-life balance
- Ability of staff to continue working during disruption to train or air networks
- New culture of working and collaborating – questioning the need to travel

This research has highlighted that businesses would like to see a more affordable and efficient rail network in the UK and Europe. Investment in high-speed rail would reduce journey times. And if the cost can compete with domestic flights, it's likely that there would be a continued shift from domestic flights to train journeys. There was also widespread support for nationwide high-speed broadband. Tax incentives to reduce the cost of videoconferencing and tax exemptions for company 'green schemes' to encourage staff to hold more virtual meetings were also seen as important in reducing business travel.

With so many of the UK's largest companies saying that they can remain profitable and competitive while flying less, and the widespread and continuing corporate commitment to flying less, the economic case for significant expansion of UK airports remains in doubt. WWF supports more efficiently run airports - not bigger ones. And greater investment in high-speed rail in the UK and across Europe. These improvements will enable a modal shift from plane to train. A reduction of flights to many of the closer destinations in Europe would also free up capacity for other destinations which are not so easily replaced by train.



**IMPROVEMENTS TO THE  
UK AND EUROPEAN  
TRAIN NETWORK HAVE  
CONTRIBUTED TO A  
MODAL SHIFT FROM THE  
PLANE TO THE TRAIN**

# KEY RECOMMENDATIONS TO GOVERNMENT FROM BUSINESS



**ROLL OUT**  
ROLL OUT  
NATIONWIDE  
HIGH-SPEED  
BROADBAND



**IMPROVE**  
UNDERTAKE  
IMPROVEMENTS  
TO THE RAIL  
NETWORK AND  
INVEST IN  
HIGH-SPEED RAIL



**REDUCE**  
REDUCE  
THE COSTS OF  
RAIL TRAVEL



**INCENTIVISE**  
INTRODUCE TAX  
INCENTIVES FOR  
VIDEOCONFERENCING  
EQUIPMENT AND  
ITS USE



**NETWORK**  
DEVELOP A  
NETWORK OF  
VIDEOCONFERENCING  
FACILITIES

## OBJECTIVES

The overall aim of this new study was to establish whether business travel and meeting practices among the UK's leading companies has changed in the last two years and if the recession has influenced this change. As one of our priorities is to promote alternatives to business flying, we'll use the results of this survey to inform our political and campaigning work in this area.

The research objectives were defined as follows:

- To evaluate trends in travel for business, and to investigate whether cuts in company travel budgets and greater use of alternatives to flying, such as videoconferencing and rail, are likely to be sustained.
- To ascertain how widely used different conferencing technologies are – including audio, web and videoconferencing. And to assess whether there's been an increase in the use and purchase of conferencing technologies in the last two years.
- To determine whether companies are planning to sustain the reduced level of business travel and to embed a culture of virtual meetings in their company in the long term.
- To gain an understanding of the different internal company policies that have been introduced to encourage staff to reduce their travel, and to evaluate whether this has led to an increase in the use of audio, web and videoconferencing technologies.
- To investigate the financial and carbon savings of restricting travel, and to understand other benefits of virtual meetings – such as an increase in productivity and an improvement to work-life balance.
- To establish what companies are doing to 'lock in' the behaviour they want to see, and how government can support them in doing this.

**158**  
NUMBER OF  
COMPANIES  
INTERVIEWED FOR  
THE SURVEY

This report contains the main findings and conclusions from the resulting survey, based on 158 interviews from a sample of the largest 500 companies by market capitalisation in the UK.



# POSITIVE CHANGES

The results make clear that the leading companies in the UK both expect and want to reduce their air travel in the future - especially domestic and short-haul flights

90%

Nearly 90% of the companies are focusing on business travel as an area in which to reduce their carbon footprint.

## LESS TRAVEL

Over 40% of these leading companies already have a policy in place to reduce business flights. A further 20% are either developing a policy or intend to do so.

96%

Virtually all respondents (96%) expect that they'll make changes to the way they conduct business over the next 10 years, as a result of climate change.

85%

The most popular government initiative to encourage alternatives to business flying would be for the 'nationwide provision of high-speed broadband'. This was favoured by nearly 85% of the respondents.

## FLYING LESS

Nearly 50% of all respondents said that their company had cut the total number of business flights it had taken in the past two years – particularly domestic flights.

60%

Over 60% of respondents routinely or frequently use videoconferencing. A further 16% said that they occasionally use it. However, the majority of respondents said that videoconferencing has had at least some impact in reducing air travel.

## NEW TECH

Audio, video, and web conferencing have a major role to play – not only in reducing the time, cost and carbon emissions associated with business travel, but also in increasing productivity.

## MAKING CHANGES

Virtually all respondents said that their company had made a number of changes to their business travel policy in the past two years, including increasing the use of conferencing technologies.

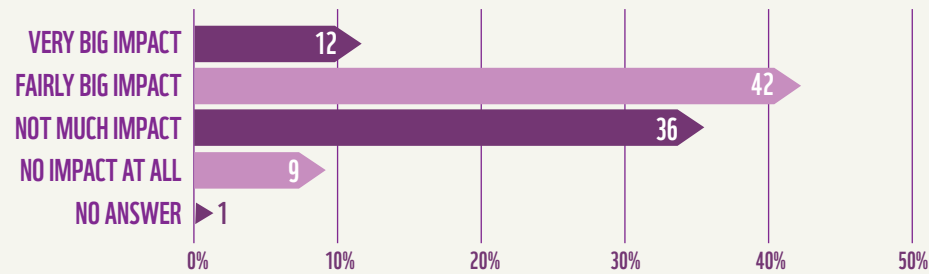
# MAIN FINDINGS OF THE SURVEY

## 1 Your company and climate change

### Impact on business

Over half of all respondents (54%) stated that, to date, climate change had made a big impact (very/fairly) on the way their organisation conducts its business. Conversely, only 9% thought that climate change had had no impact at all.

### IMPACT THAT CLIMATE CHANGE AND ENVIRONMENTAL DEBATE HAD ON THE WAY THE ORGANISATION CONDUCTS BUSINESS



BASE: ALL RESPONDENTS - 158

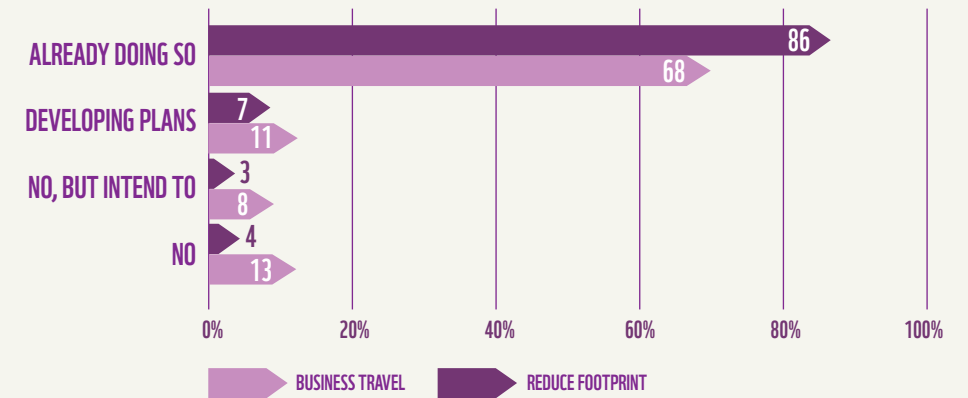
Virtually all respondents (96%) held the view that they'd have to change the way they conducted business over the next 10 years, as a result of climate change.

### Reducing carbon footprints and business travel

The vast majority (86%) of the sample said that their organisation was actively seeking to reduce its carbon footprint, with a further 9% either developing plans to do so or intending to do so in the future.

When asked whether *business travel* was an area where their organisation was seeking to reduce its carbon footprint, nearly 90% of respondents reported that they were either already doing so (68%) or intending to/developing plans to do so (18%).

### ORGANISATIONS SEEKING TO REDUCE CARBON FOOTPRINT - IN GENERAL / IN AREAS OF BUSINESS TRAVEL\*

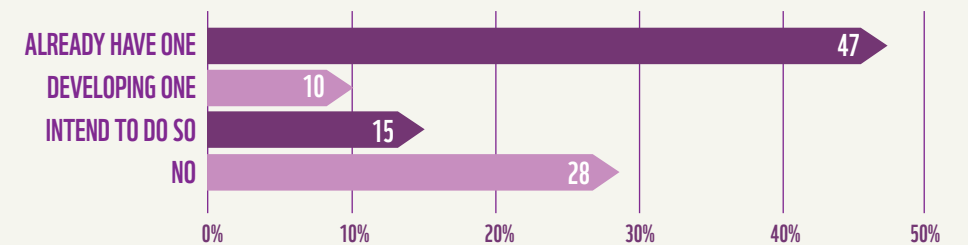


BASE: ALL RESPONDENTS - 158

### Green business travel

Nearly three quarters of respondents (72%) said that their company either has or will have a corporate policy that encourages more sustainable business travel – i.e. use of lower-carbon travel choices and alternatives.

### DOES THE ORGANISATION HAVE A CORPORATE POLICY WHICH ENCOURAGES MORE SUSTAINABLE BUSINESS TRAVEL?

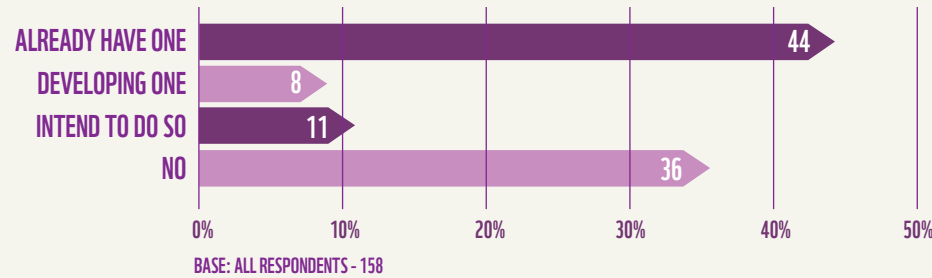


BASE: ALL RESPONDENTS - 158

\* The % totals in this bar chart do not add up to 100% due to rounding

Over 40% of these leading companies already have a policy in place to reduce business flights. A further 20% are either developing a policy or intending to do so.

### DOES THE ORGANISATION CURRENTLY HAVE A POLICY IN PLACE TO REDUCE FLIGHTS?\*



More than half (56%) of those respondents that already had a policy in place to reduce flights stated that they had not set any quantitative targets, in terms of number of flights and/or percentage cut in emissions. Rather, it was the general aim of the organisation to reduce unnecessary flying and/or actively promote the use of videoconferencing.

*“There are no specific targets being set although we are aiming to cut down as low as possible by investing in our videoconferencing equipment.”*



**OVER 50% OF COMPANIES HAVE OR ARE DEVELOPING A POLICY TO REDUCE FLYING**

Some companies had set specific targets, usually in the form of the percentage cut in flights. The most popular answers were:

- Up to 10% cut in flights - 9 respondents
- 11%-20% cut in flights - 10 respondents
- 21%-50% cut in flights - 4 respondents

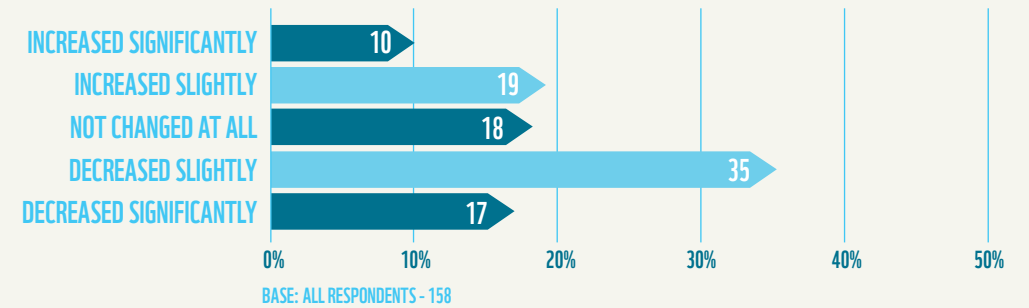
\* The % totals in this bar chart do not add up to 100% due to rounding

## 2 Changes in travel and meeting practices

### Expenditure on business travel

Over half of all respondents said that the total amount their company had spent on business travel over the past two years had decreased. This compares with nearly 30% saying that their total expenditure on business travel had increased.

### HAS TOTAL EXPENDITURE ON BUSINESS TRAVEL OVER THE PAST TWO YEARS INCREASED OR DECREASED?



=

£££

33%

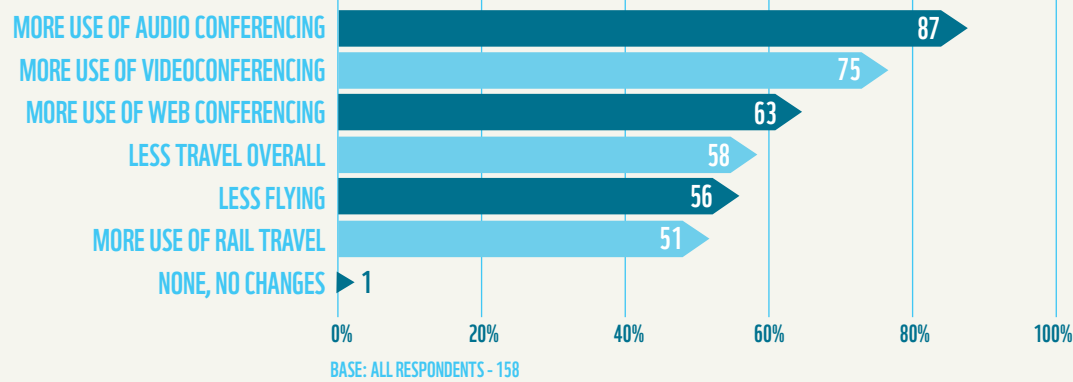
41%

*“We’ve achieved a reduction of 33% in business flights, which has resulted in a 41% reduction in our travel spend.”*

### Changes to business travel

Virtually all respondents said that a number of changes had occurred to their company's business travel in the past two years. As can be seen, audio conferencing (over the telephone) and to a slightly lesser extent videoconferencing and web conferencing were all being used to a greater extent by companies – stated by 87%, 75%, and 63% respectively.

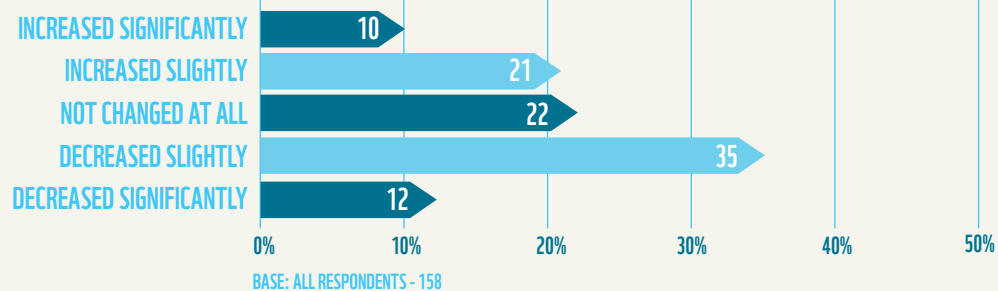
#### CHANGES THAT HAVE OCCURRED TO BUSINESS TRAVEL IN THE PAST TWO YEARS



### Number of flights in the past two years

Nearly half of all respondents said that the total number of business flights taken by their company in the past two years had decreased. This compares with just over 30% saying that the total number of flights had increased.

#### HAS TOTAL NUMBER OF FLIGHTS TAKEN IN THE PAST TWO YEARS INCREASED OR DECREASED?



### Decrease in the number of flights

Those respondents (74 in total) that said the number of flights taken by their company had decreased in the past two years were then asked to quantify, in percentage terms, the level of decrease. A mean of 19.8% was recorded:

Up to 10% decrease	30 respondents
11%-25% decrease	17 respondents
26%-50% decrease	14 respondents
51%-100% decrease	3 respondents
Don't know	10 respondents

When asked to state unprompted the main reasons why the number of flights taken has decreased, two main reasons emerge:

- The greater availability of/increased use of technology such as web and videoconferencing.
- The impact of the recession/economic downturn on budgetary constraints, cost reduction, cost of travel, and to a lesser extent on sales.

*“We have put in £6m worth of telepresence, it is the latest digital videoconferencing. There is no delay and it's like sitting at a boardroom table. We have put in eight of these across the world and are putting in high definition in Europe, so we can use these instead of flights.”*

*“Mainly because there has been a drive to reduce costs, save money and increase the availability of videoconferencing and IT.”*

*“We have more efficient video, audio and web conferencing technologies and have a tougher business travel policy.”*

*“Use of videoconferencing and using Eurostar for European travel.”*



**THE GREATER AVAILABILITY OF CONFERENCING TECHNOLOGY HAS REDUCED FLYING**



### Increase in the number of flights

Those respondents (49 in total) that said the number of flights taken by their company had increased in the past two years were then asked to quantify, in percentage terms, the level of increase. A mean of 28.6% was recorded:

Up to 10% increase	16 respondents
11%-25% increase	7 respondents
26%-50% increase	11 respondents
51%-100% increase	4 respondents
Don't know	11 respondents

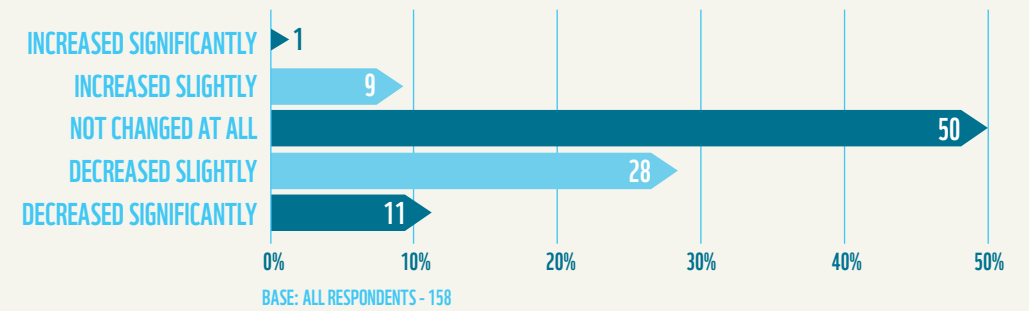
When asked to state unprompted the main reasons why the number of flights taken has increased, a variety of aspects relating to business growth, particularly internationally, were mentioned:

- Entering new markets
- More clients overseas
- Acquiring companies/subsidiaries overseas
- Opening offices/branches overseas
- Sourcing parts/using suppliers overseas
- Have more staff/expansion in general
- Change in strategy/selling overseas

### Domestic flights taken within the UK

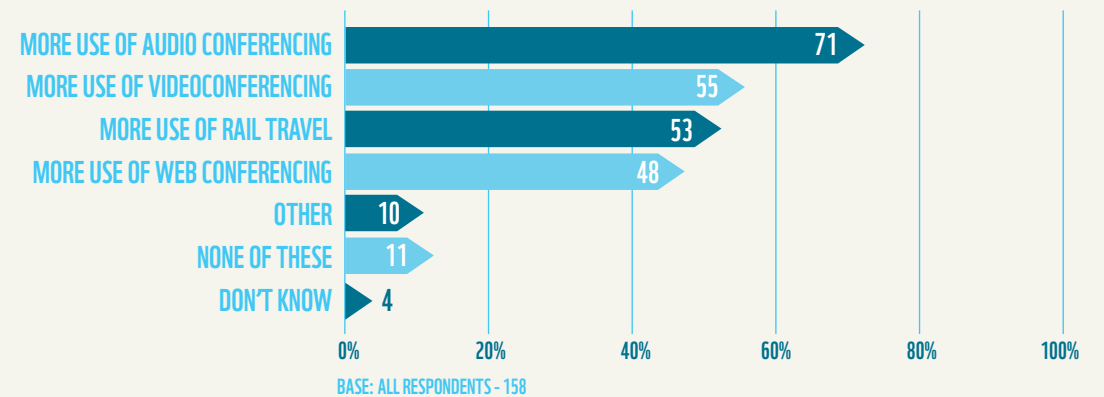
Nearly 40% of all respondents said that the number of domestic flights, within the UK, taken by their company in the past two years had decreased. This compares with only 10% saying that the number of domestic flights had increased.

#### HAS THE NUMBER OF DOMESTIC FLIGHTS TAKEN IN THE PAST TWO YEARS INCREASED OR DECREASED?



Over 80% of all respondents mentioned something that has replaced their domestic flights. As can be seen, audio conferencing (over the telephone) and to a lesser extent videoconferencing and more use of rail travel were the most frequently mentioned – stated by 71%, 55%, and 53% respectively.

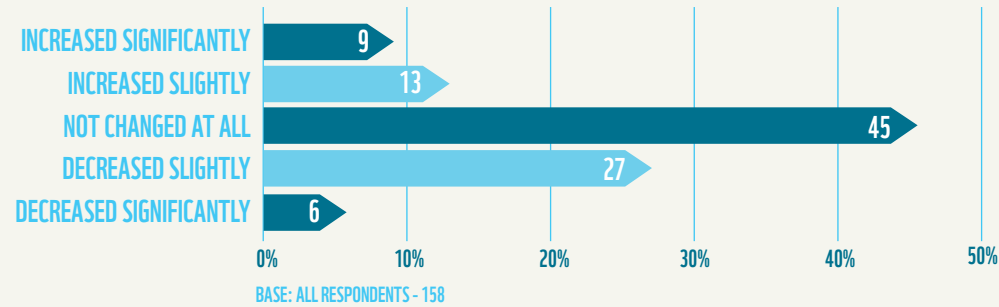
#### REPLACEMENT OF DOMESTIC FLIGHTS TAKEN BY COMPANY



### Short-haul flights taken to continental Europe

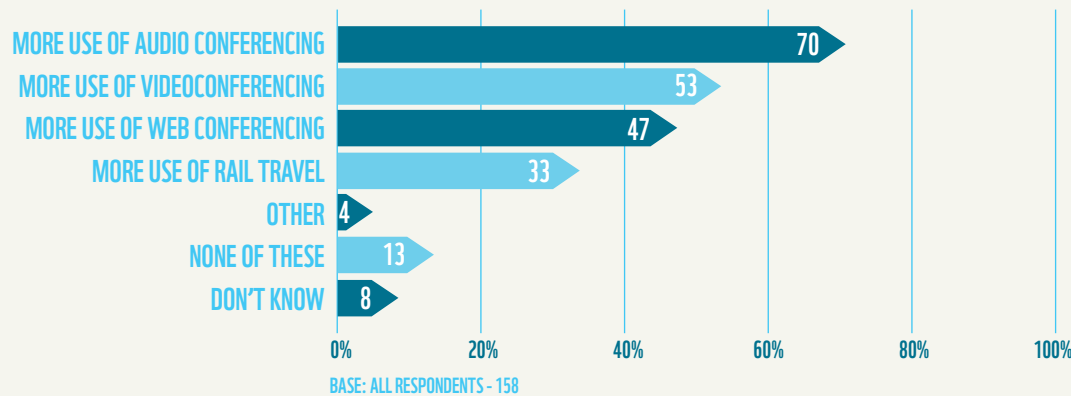
A third (33%) of all respondents said that the number of short-haul flights that their company had taken to continental Europe in the past two years had decreased. This compares with 22% claiming that the number of short-haul flights they'd taken had increased.

#### HAS THE NUMBER OF SHORT-HAUL FLIGHTS TAKEN IN THE PAST TWO YEARS INCREASED OR DECREASED?



Perhaps not surprisingly the results pertaining to all three forms of 'conferencing' as replacements are similar to those recorded for domestic flights. Audio conferencing (70%) and to a lesser extent videoconferencing (53%) were again the most frequently mentioned, while the use of rail travel is lower (33%).

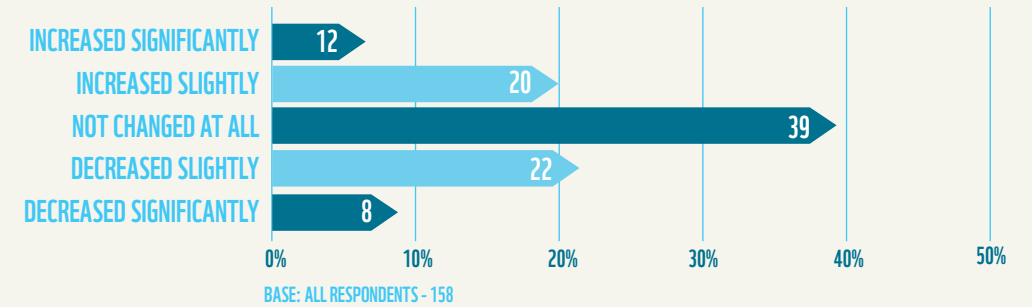
#### REPLACEMENT OF SHORT-HAUL FLIGHTS TAKEN BY COMPANY



### Long-haul flights taken

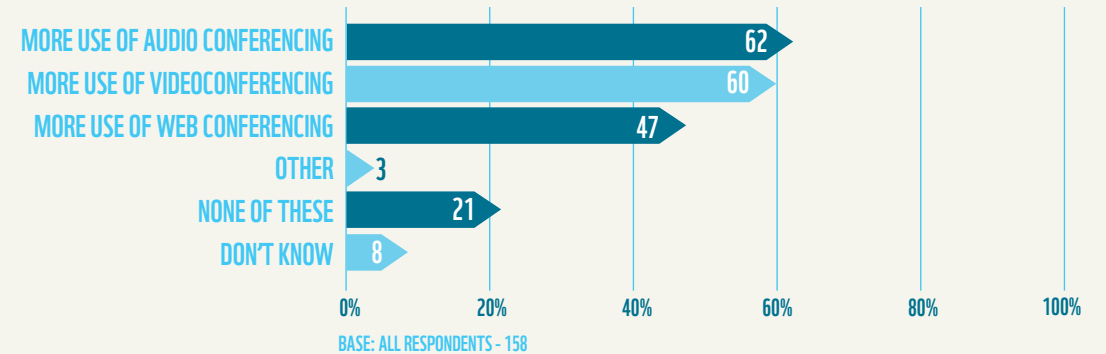
Some 30% of all respondents said that the number of long-haul flights that their company had taken in the past two years had decreased. However, this is slightly lower than the proportion claiming that the number of long-haul flights taken had increased (32%).

#### HAS THE NUMBER OF LONG-HAUL FLIGHTS TAKEN IN THE PAST TWO YEARS INCREASED OR DECREASED?



While the majority of respondents said that their company has been able to replace long-haul flights by the greater use of audio conferencing (62%) and videoconferencing (60%), over 20% of the total sample didn't think that any of these three forms of conferencing had replaced flights.

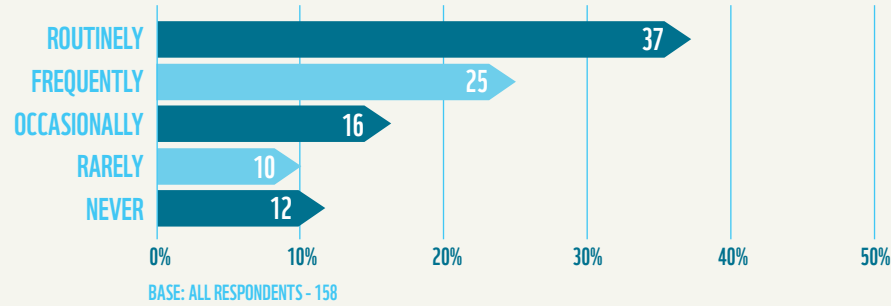
#### REPLACEMENT OF LONG-HAUL FLIGHTS TAKEN BY COMPANY



### Usage of videoconferencing

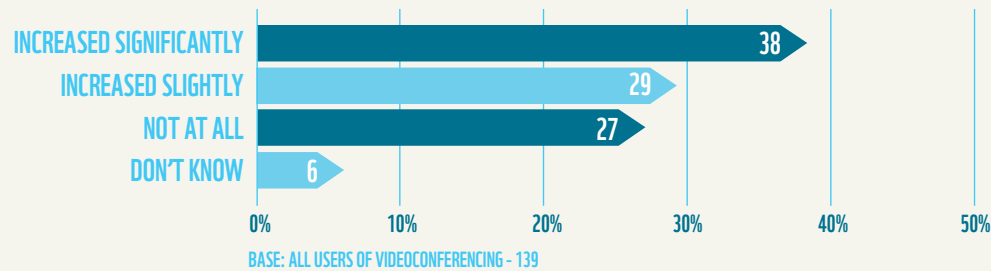
Over 60% of respondents routinely or frequently use videoconferencing, with a further 16% saying that they occasionally use it. In comparison, just over 20% use it rarely or never.

#### HOW FREQUENTLY DOES YOUR COMPANY CURRENTLY USE VIDEOCONFERENCING?



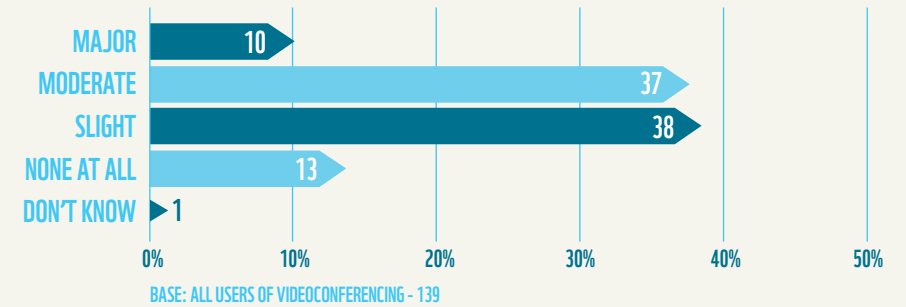
Of those using videoconferencing (88% of the total sample), the majority said they have increased the amount they spent on equipment during the past two years. In comparison, only a quarter (27%) have not spent any more.

#### HAS THE AMOUNT SPENT ON VIDEOCONFERENCING EQUIPMENT DURING THE PAST TWO YEARS INCREASED?



The vast majority of these respondents (86%) said that videoconferencing has had at least some impact in reducing their air travel, with 10% of companies deeming it to have had a major impact in reducing their air travel.

### IMPACT THE USE OF VIDEOCONFERENCING HAS HAD IN REDUCING BUSINESS FLYING



We asked those who said that videoconferencing has had an impact in reducing their business flying (86% of the total sample; 119 respondents) to quantify the percentage of flights they thought their company had been able to cut in the past two years as a result of using videoconferencing:

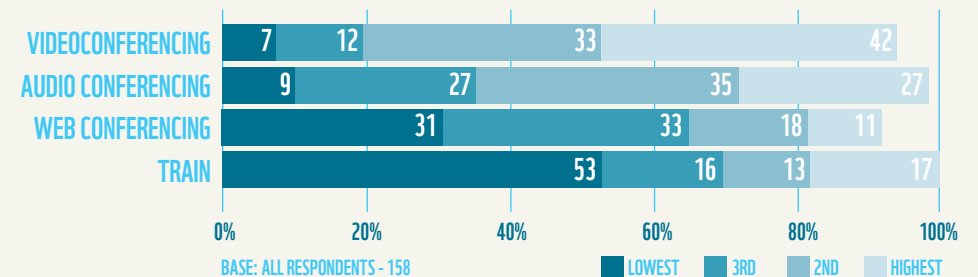
- Up to 5% cut - 41 respondents
- 6%-10% cut - 19 respondents
- 11%-20% cut - 13 respondents
- 21%-100% cut - 12 respondents
- Don't know - 34 respondents

This resulted in a mean cut of 12% being recorded.

### Alternatives to flying

Videoconferencing, and to a lesser extent audio conferencing, are regarded as the 'best' alternatives to flying, in terms of their effectiveness in reducing business flights. Conversely, over 50% of respondents selected rail travel as the least effective alternative.

#### THE ALTERNATIVES TO FLYING, IN RANK ORDER, IN TERMS OF EFFECTIVENESS IN REDUCING COMPANY'S FLYING

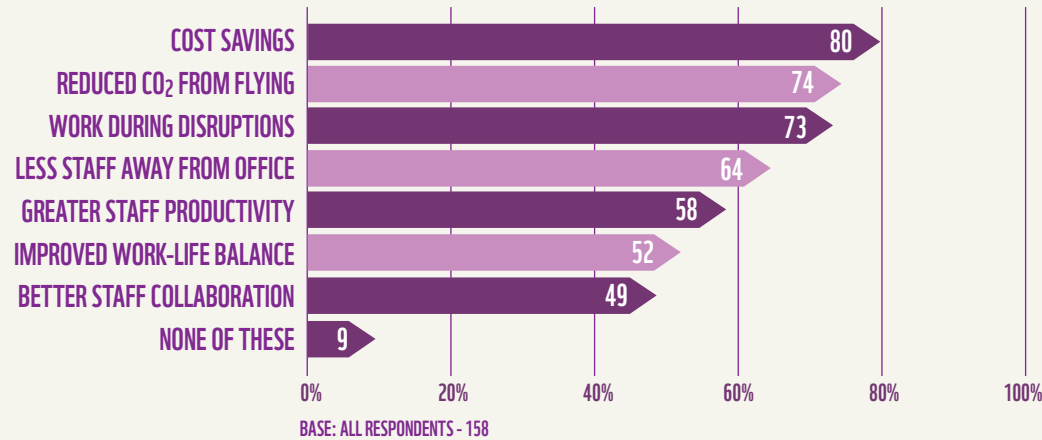


### 3 Consequences of these changes

#### The benefits of changing travel and meeting practices

When prompted, respondents selected ‘cost savings from avoided flights and expenses’ (80%), ‘reduced CO<sub>2</sub> from flying’ (74%), and ‘ability to work during travel disruptions’ (73%) as the main benefits they’d noticed as a result of changing their travel and meeting practices during the recession.

#### BENEFITS THE COMPANY HAS NOTICED AS A RESULT OF CHANGING TRAVEL AND MEETING PRACTICES



Of these, ‘cost savings from avoided flights and expenses’ is clearly regarded as being the most beneficial. Some 70% of respondents listed it in their top three benefits. ‘Reduced CO<sub>2</sub> from flying’ was the next most often mentioned of the top three benefits.

Benefits to company	Most	2nd most	3rd most
Cost savings from avoided flights/expenses	42%	19%	9%
Greater staff productivity	15%	12%	11%
Less staff away from office	8%	13%	13%
Better collaboration between staff	8%	4%	4%
Reduced CO <sub>2</sub> from flying	6%	15%	20%
Ability to work during travel disruptions	6%	13%	10%
Improved work-life balance for staff	5%	9%	11%

Base: All respondents - 158

#### COST SAVINGS AND REDUCED CO<sub>2</sub> WERE THE MOST POPULAR BENEFITS FROM CHANGING TRAVEL AND MEETING PRACTICES

We then asked respondents whether they could provide an example of how flying less and using more video, audio or web conferencing has benefited their company.

Most respondents talked generally about how they were able to make cost savings, save time, reduce their carbon footprint, and/or increase productivity. The following are examples of answers given by respondents.

*“The board were looking for a non-executive director and this applicant was in Singapore. The first two interviews were conducted over the telepresence system and the board were happy to do it that way. This sort of system is also very secure and they were able to carry on with confidential business.”*

*“We have invested a lot of money for videoconferencing within all our international offices. This has meant we can have more regular and ad hoc meetings with our staff without the need for us to travel there. The quality of the videoconferencing equipment is brilliant, it is very lifelike and there are no delays.”*

*“We did a study and found that if you conference call for one year, the costs of 200 people saved £220,000 on driving, based on a cost of 60 pence per mile.”*



# IMPACT OF CHANGES IN BUSINESS TRAVEL

Those respondents (74 out of the total of 158) that reported the number of flights their company had taken had decreased in the past two years were then read a number of statements relating to the impact of changes in business travel. We asked them to state whether they agreed or disagreed with each.

We recorded very high levels of agreement (around 90%) for all four statements:

**92% AGREE**

**'IT IS POSSIBLE TO FLY LESS AS AN ORGANISATION AND REMAIN BOTH PROFITABLE AND COMPETITIVE'**

**89% AGREE**

**'CHANGING THE WAY WE MEET AND TRAVEL HAS BEEN GOOD FOR US AS A BUSINESS'**

**88% AGREE**

**'STAFF HAVE WELCOMED SPENDING LESS TIME TRAVELLING AWAY FROM HOME ON BUSINESS'**

**91% AGREE**

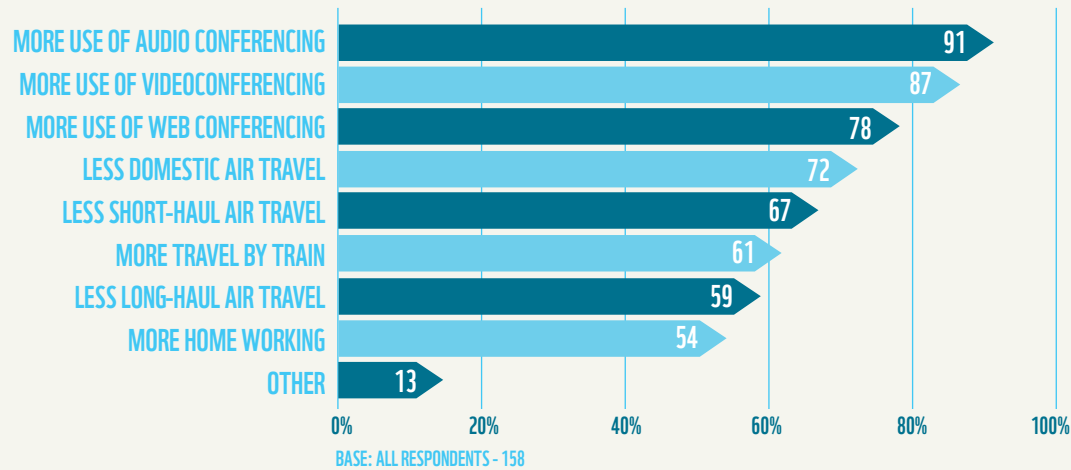
**'REDUCED FLYING AND GREATER USE OF ALTERNATIVES ARE NOW IMPORTANT PARTS OF OUR CORPORATE RESPONSIBILITY AGENDA'**

#### 4 Future travel and meeting intentions

##### Intentions over the next two years

It does seem that the majority of companies will encourage a further reduction in business travel by implementing a number of measures – particularly the greater use of audio conferencing (91%), videoconferencing (87%), and web conferencing (78%). While ‘home working’ and ‘less long-haul air travel’ were less likely to be mentioned, over half of all companies still referred to them. ‘Other’ includes such schemes as car sharing and cycling to work.

##### WILL THE COMPANY ENCOURAGE ANY OF THE FOLLOWING?



##### Future business travel

Those respondents (74 out of the total of 158) that claimed the number of flights their company had taken had decreased in the past two years were then read out a number of statements relating to future business travel. We asked them to state whether they agreed or disagreed with each.

From the levels of agreement recorded for the four statements below, it seems that the majority of these companies have made a permanent commitment to reduce their business travel in the future:

**83% AGREE**

*‘My company is likely to want to reduce the number of flights taken by employees over the next 10 years’*

**61% AGREE**

*‘Our company’s expenditure on business travel is unlikely to increase once the economy improves’*

**65% AGREE**

*‘The recession has prompted a permanent shift in our travel and meeting practices’*

**15% AGREE**

*‘Once the economy improves my company will probably return to ‘business as usual’ levels of flying’*

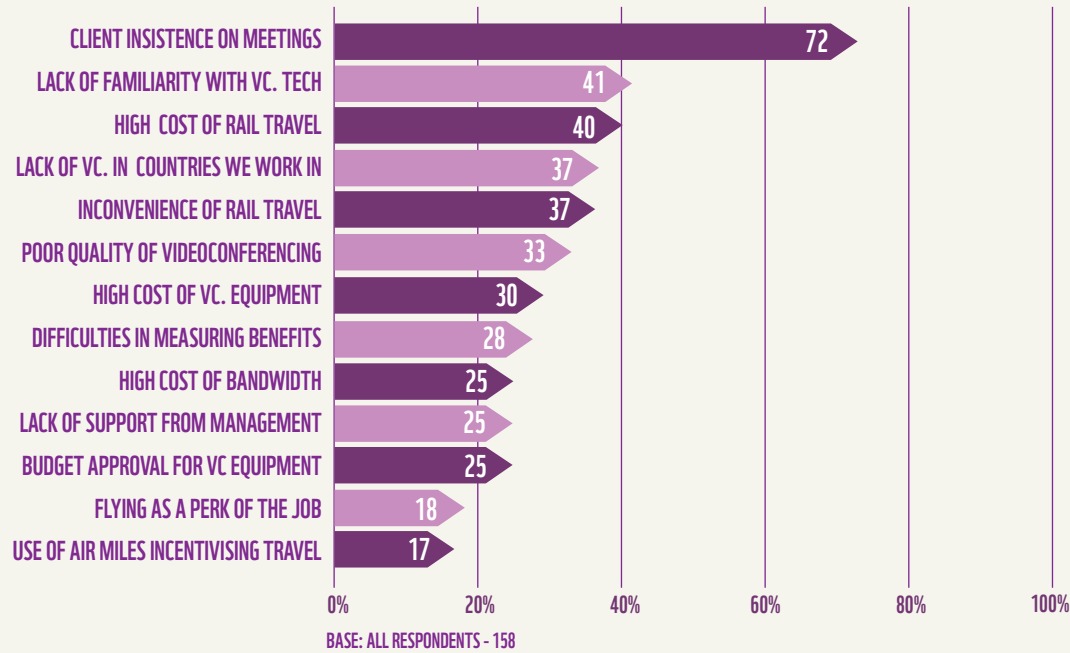
## 5 Company actions and support

### Obstacles to change

From a list of possible obstacles to changing travel practices in favour of less flying and greater use of alternatives, by far the most frequently mentioned was ‘client insistence on travel and face-to-face meetings’. This was selected by over 70% of the total sample. Other obstacles to change that are worthy of note were related to:

- the lack of familiarity with/lack of availability/poor quality of videoconferencing;
- the cost/inconvenience of rail travel.

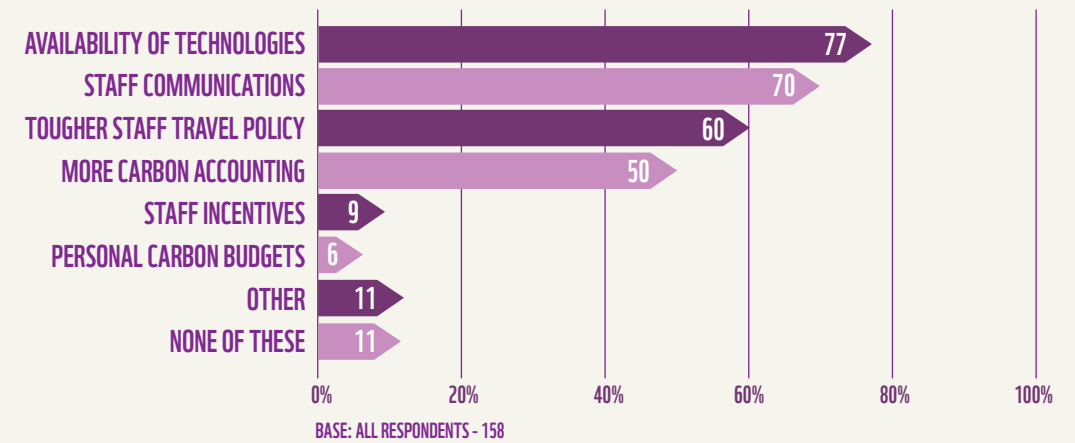
### OBSTACLES TO CHANGING TRAVEL PRACTICES IN FAVOUR OF LESS FLYING AND GREATER USE OF ALTERNATIVES



### Encouraging staff to fly less

It does seem that the majority of companies are encouraging staff to fly less by implementing a number of measures – particularly by increasing the availability of the appropriate technologies (77%), staff communications (70%), and to a slightly lesser extent having a tougher travel policy (60%).

### MEASURES TO ENCOURAGE STAFF TO FLY LESS



We asked respondents to describe in more detail what they’re doing to encourage staff to fly less. Not surprisingly, responses were largely concerned with one or more of the following:

- Increased investment in/availability of the appropriate technologies (video and/or web).
- Imposing stricter travel policies.
- Introducing carbon reduction targets.
- Staff communications.

**The following are examples of comments made by respondents.**

*“We have a big roll out of conferencing available in all the countries we work in. Our management team are taking the lead and all meetings are held with everyone in one place using videoconferencing. Senior management have to meet periodically and have gone to regional hubs for videoconferencing. For example, Australians don’t have to travel to Europe.”*

*“We are amending the travel policy to promote green travel. Long term we are looking at providing individual travel budgets and carbon budgets for travel in order not just to reduce cost but the environmental impact and travel impact on total emissions overall.”*

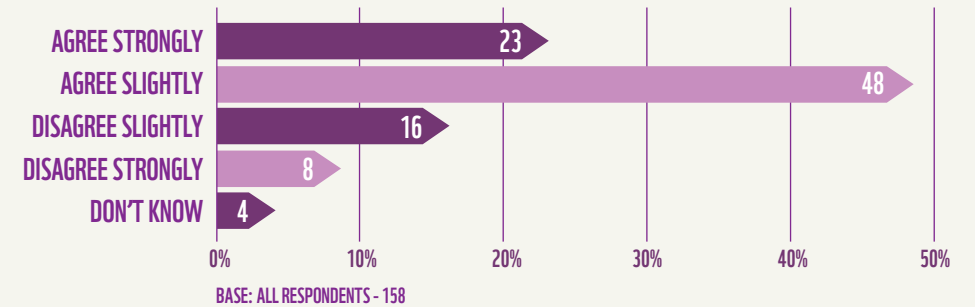
*“We are putting in good video and audio conferencing facilities which are going to be available to all departments. We are encouraging staff to use videoconferencing more as an alternative to flying. We are already seeing the benefits, as there are fewer staff away from the office for two to three days at a time. We find it has kept the costs down.”*

*“There are tougher policies – i.e. with UK flights, staff have to look at alternatives first so flying is a last option. And in terms of measuring carbon emissions we have set targets against emissions which are reported to board level. Also we have staff employees communicating and informing staff about not flying and using alternatives, and in various parts groups have projects looking at web conferencing and videoconferencing suites – and that is being looked into at a senior level.”*

**Government initiatives**

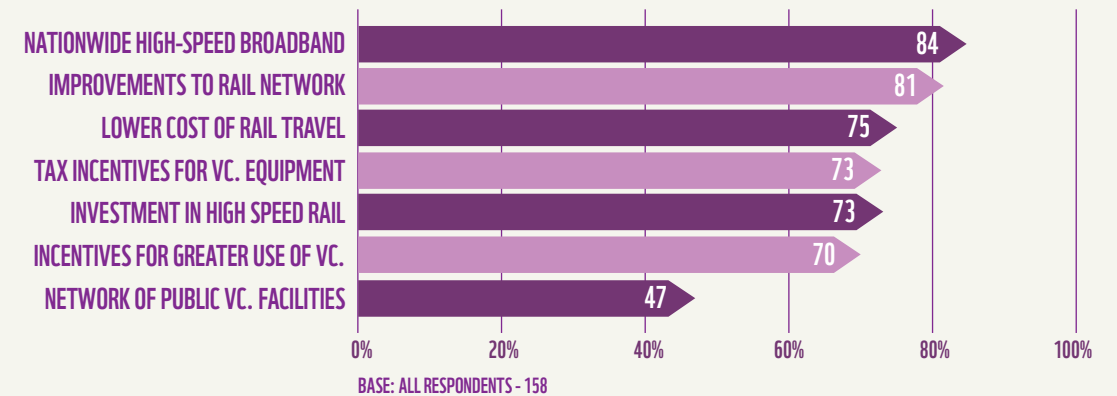
Over 70% of respondents agreed with the statement: ‘the government should do more to encourage firms to invest in videoconferencing equipment’.

**THE GOVERNMENT SHOULD DO MORE TO ENCOURAGE FIRMS TO INVEST IN VIDEOCONFERENCING EQUIPMENT**



We read out a number of initiatives that the government could introduce to assist companies to achieve greener business travel. We asked respondents to select those which, in their opinion, would best help their organisation.

**INITIATIVES THAT WOULD BEST HELP YOUR COMPANY ACHIEVE GREENER BUSINESS TRAVEL**



The most popular government initiative would be for the ‘nationwide provision of high-speed broadband’. This was chosen by 84% of the sample. ‘Improvements to the existing rail network’ and ‘lower cost of rail relative to air travel’ also feature strongly, being supported by 81% and 75% of respondents respectively.

Conversely, ‘a better network of public videoconferencing facilities’ was not deemed to be particularly helpful.



## CASE STUDY — GLAXOSMITHKLINE

As a global organisation, employing more than 99,000 people in 120 countries, GlaxoSmithKline needs to be able to collaborate with its staff and clients around the world, often requiring staff to fly

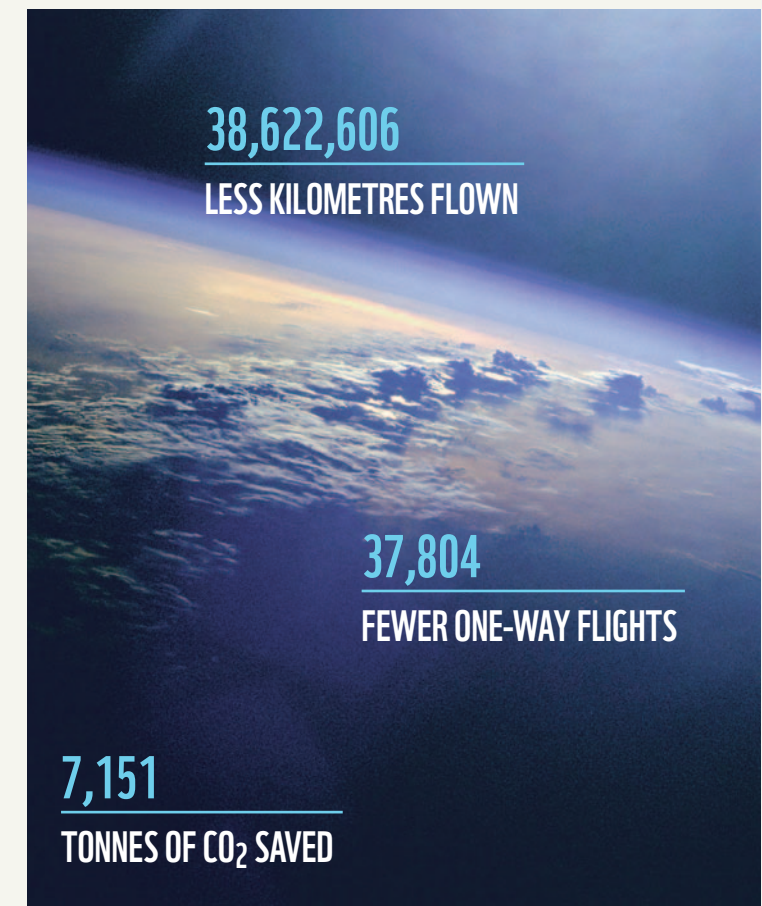
overseas. However, business travel not only incurs significant financial costs for the company, it also affects the health and well-being of employees. The environmental impact of air travel is also significant, particularly its associated carbon footprint: six million trees are needed to absorb the amount of CO<sub>2</sub> generated by the travel at GlaxoSmithKline.

To reduce business travel, GlaxoSmithKline has made a significant investment in a variety of videoconferencing systems around the globe. Staff can select the most appropriate system, depending on the number of participants and objectives of the meeting. The technology available includes teleconferences, desktop and personal videoconference units, dedicated videoconference rooms and web conferences. There are over 500 videoconference rooms in 68 countries including 16 premium telepresence conference rooms. In 2010, there was a 40% increase in the use of videoconferencing compared to 2009. There are plans to roll out more conferencing options, such as desktop systems, which will enable continued growth in the use of this technology and to provide an alternative to business travel.

This investment in the technology has reaped rewards. There has been a decrease in distance flown of 38,622,606km and 37,804 fewer one-way flights from 2008 to 2009. This has reduced the environmental impact, saving 7,151 tonnes of CO<sub>2</sub>. The technology has also enabled the company to run its global events differently. In 2010, the annual meeting of one global team, which normally involves flying 70 senior managers from all around the world, was carried out using video and virtual breakout sessions, with guest speakers from across the business. The Resource & Capital Manager explained, “The technology allowed us to participate in some lively debates across the wires and we have had some positive feedback. I am sure that we will take a similar approach for future events.” The estimated savings from this event were £60,000, 140,000 miles of air travel avoided, and 24 tonnes of CO<sub>2</sub>.

The range of different technologies available to GlaxoSmithKline staff has not only reduced business travel but also improved collaboration and productivity. More timely and frequent communication can take place with little advance notice, accelerating the decision-making process and enabling staff to work more effectively and spend less time away from home.

**Brett Fulford**  
**Director Environmental Sustainability**  
**GlaxoSmithKline**



## CASE STUDY — FIRSTGROUP

At FirstGroup, the UK's largest public transport company, we have been actively reducing our business travel since 2009, when our board introduced a new travel policy.

Staff are now encouraged to utilise the company's extensive audio and videoconferencing facilities, questioning the need to fly. All flights now require pre-authorisation to ensure that alternatives to travel have been considered.

In the financial year 2009/10, FirstGroup increased the use of audio conferencing by 30%, with over two million minutes of meeting time logged. Audio conferencing has been made easy, with each section having their own conference line. Promoting the use of conferencing technologies has also enabled us to reduce our flying: we've achieved a reduction of 33% in business flights, which has resulted in a 41% reduction in our travel spend.

In the same period, we have reduced our carbon dioxide emissions associated with business air travel by 57%, equating to 671 tonnes of carbon dioxide.

Since the change in travel policy, the culture has made it easier to propose alternative technology as a way of attending meetings. Personally, this has given me greater flexibility in how I manage my time and allowed me to better prioritise the need to travel.

Other staff have also found there to be a range of benefits from this new approach to meetings, which are notoriously more difficult to quantify, but equally important to employees. Glen Lovett, Group Procurement Head of Supply Chain (UK) believes that, "Since the introduction of our new travel policy I have found that I can be more productive where I can avoid travelling and my work-life balance has improved."

FirstGroup will continue to utilise the conferencing technologies to save unnecessary travel and embed this new culture of working across the company.

**Terri Vogt**  
Group Head of Corporate Social Responsibility  
FirstGroup Plc

## ONE IN FIVE CHALLENGE — WWF'S INITIATIVE TO REDUCE BUSINESS TRAVEL

The One in Five Challenge is our guided programme and award scheme for businesses to cut 20% of their business flights. We launched it in June 2009. The scheme suggests practical ways to cut flying and use lower-carbon ways of staying connected. It also encourages a culture of virtual meetings in preference to flying. This improves the productivity and well-being of staff. There are now 14 organisations in the scheme. They are demonstrating the potential for financial, social and environmental benefits by reducing business flights. Six of the members have already achieved the award.

For more information about the One in Five Challenge, please visit [wwf.org.uk/oneinfive](http://wwf.org.uk/oneinfive)



## SUMMARY

This report demonstrates that there's been a clear shift in the ways that companies are travelling and collaborating with their clients

and colleagues. The research shows that in the last few years, while the UK has been in a recession, the majority of those companies who took part in this survey have reduced their business travel and increased their use of different conferencing technologies – such as audio, web and videoconferencing. They've introduced policies to encourage a culture where the presumption is to use available facilities rather than travel. This change has commonly been driven from the management team or board.

However, not only are companies embracing technology and wanting to save travel costs – there's also evidence that there are environmental drivers for companies to set policies to reduce their business travel. Companies are aware of the impact that climate change will have on their business and are actively reducing their carbon footprint. Companies understand that cutting business flights can significantly cut their carbon footprint.

There are strong signs from those companies that have reduced their flying that they will continue this reduction – and that it's prompted a permanent shift in their travel and meeting practices. Even when the economy recovers, most companies believe that they won't need to return to 'business as usual' flying. They agree that a company can remain competitive and be more productive through reducing business travel.

In the future, technology will become even more sophisticated and it's likely that there will be yet more changes to the way businesses communicate and collaborate. As the technology advances, this equipment will become more affordable and enable more companies to take advantage of virtual conferencing – particularly small and medium-sized enterprises (SMEs).

As outlined in this report, this technology can deliver economic, environmental and social benefits to businesses and their employees.

## WWF'S POLICY RECOMMENDATIONS

- We welcome the government's recent announcement that it'll invest £830m in a national high-speed broadband network that will see a digital hub in every community by 2015. This will help to facilitate greater use of videoconferencing by businesses across the country that rely on inexpensive, high-speed broadband to be cost-effective.
- We would like to see this investment in high-speed broadband used to create a UK network of high quality, public videoconferencing facilities, as this will encourage greater use by SMEs, which are less likely than large corporates to be able to afford their own equipment.
- There is also a need to consider the introduction of tax incentives for videoconferencing, such as the Enhanced Capital Allowance, which would lower its cost to business.
- We support government action to reduce flying and lead by example. We'd like to see the government use lower-carbon travel alternatives such as videoconferencing and rail to significantly reduce its unnecessary domestic and short-haul flying. We highlighted this in our recent Excess Baggage report<sup>5</sup>. We encourage central Whitehall departments to join our One in Five Challenge as a means of setting targets to cut 20% of their flights within five years.
- We support the coalition government's commitment to develop a high-speed rail network in the UK, especially to the North and Scotland, which supports connections to high-speed rail services in mainland Europe. The UK needs an integrated and efficient rail network that is reliable and convenient. The cost of rail travel needs to be competitive with air travel to encourage a modal shift.

<sup>5</sup> The report is available to download at [wwf.org.uk/excess](http://wwf.org.uk/excess)

## APPENDIX 1 — RESEARCH METHODOLOGY

In summary, the quantitative survey comprised the following steps:

- The sampling frame consisted of a list of the largest 500 companies (by market capitalisation) in the UK.
- Critical Research contacted these companies by telephone, and identified the person responsible for setting corporate policy regarding business travel. We then asked this person to participate in the survey.
- Interviewers conducted a telephone interview. Or, if preferred, respondents were able to complete the survey online.
- Each interview was approximately 20 minutes long.
- The data was analysed and the results were collated. A report was produced, summarising the main findings from the research.

Out of these leading companies, a total of 158 were willing and able to participate in the survey in the period 27 September to 5 November 2010. This was an extremely high response rate among such a target audience, and is a reflection of the interest in the subject matter. In this study, while the total sample is relatively small (i.e. 158 respondents), it has been drawn from a very small population (i.e. 500 companies). Consequently the level of sampling error is low, and our confidence in the findings is high.

The largely structured questionnaire we used was developed by Critical Research and agreed with WWF-UK prior to fieldwork. Please go to [wwf.org.uk/movingon](http://wwf.org.uk/movingon) to download a copy of the full questionnaire.

Respondents were offered a copy of the report as a means of thanking them for participating in the survey.

## APPENDIX 2 — ACKNOWLEDGEMENTS

WWF-UK wishes to thank Critical Research and Ashden Trust for their support in producing this report. We would also like to give special thanks to FirstGroup and GlaxoSmithKline for providing case studies. Finally, thanks also to the 158 companies who agreed to participate in our survey, including the following:

Alternative Investment Strategies Limited  
Aviva Plc  
Barclays Plc  
Berkeley Group Plc  
Big Yellow Group Plc  
Booker Group Plc  
Britvic Plc  
BT Group Plc  
Carillion Plc  
Centrica Plc  
City of London Investment Trust Plc  
Drax Group Plc  
Eaga Plc  
Ecofin Limited  
Electra Private Equity Plc  
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Filtrona Plc  
Finsbury Worldwide Pharmaceutical Plc  
Firstgroup Plc  
G4S Plc  
Galliford Try Plc  
GlaxoSmithKline Plc  
Go-Ahead Group Plc  
Hansard Global Plc  
Holidaybreak Plc  
Home Retail Group Plc  
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Keller Group Plc  
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Legal and General Plc  
LogicaCMG Plc  
Man Group Plc  
Marshalls Plc  
May Gurney Integrated Services Plc  
Michael Page International Plc  
Misys Plc  
Mondi Plc  
Mouchel Group Plc  
National Grid Transco Plc  
Next Plc  
Norkom Technologies Plc  
Northern Foods Plc  
Northumbrian Water Group Plc  
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Segro Plc  
Shanks Group Plc  
SIG Plc  
SSL International Plc  
Standard Life Plc  
Synergy Healthcare Plc  
The Law Debenture Corporation Plc  
The Weir Group Plc  
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Travis Perkins Plc  
Unilever Plc  
Unite Group Plc  
United Utilities Plc  
UTV Plc  
Wellstream Holdings Plc  
Whitbread Plc  
Workspace Group Plc  
WSP Group Plc



# Business travel by numbers

100%  
RECYCLED

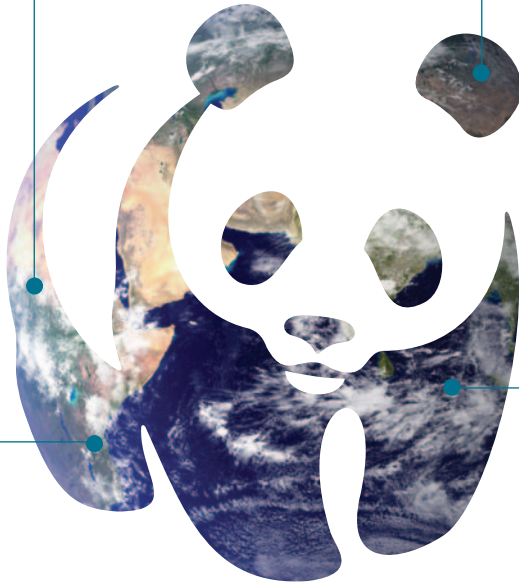


> 60%

of respondents routinely or frequently use videoconferencing.

47%

of companies in this survey have reduced the number of flights that they've taken in the last two years.



86%

of companies said that their organisation was seeking to reduce its carbon footprint.

77%

of companies are increasing the availability of conferencing technologies to encourage staff to fly less.



#### Why we are here

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

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OF CONSERVATION

THANK YOU  
FOR YOUR SUPPORT