

2020 Travel risk survival kit

Managing business travel risk



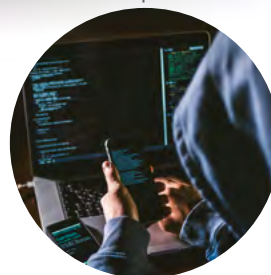
Economic risks



Health and safety risks



Geo-political risks



Fraud and cyberattacks

Tips and tools for managing what's ahead

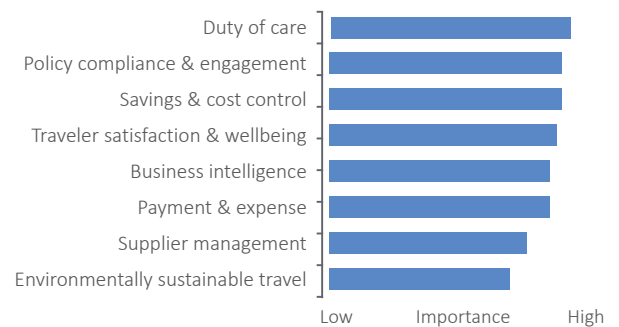
Today traveler care is at the front of everyone's minds given the dynamic spread of the COVID-19 coronavirus. Naturally, this has pushed other risks into the background, but they haven't disappeared and will resurface once the coronavirus threat recedes. In order to create a truly holistic approach to risk, travel programs must address all types of risk.

For this reason, BCD Travel's *2020 Travel Risk Survival Kit* doesn't just look at disease outbreaks; it also explores how economic shifts, cybercrime, natural disasters and more affect the well-being and productivity of business travelers. This guide offers advice on how companies can prepare for all risks and help keep their travelers safe and secure.

Corporate travel departments have a big stake in managing risk. Almost half of travel leaders say they're in charge of developing travel risk management policies and communicating with travelers in an emergency, according to a [survey](#) by BCD Travel and the Global Business Travel Association (GBTA).¹

Travel leaders recognize the importance of their duty of care responsibilities toward travelers, ranking it top among program priorities.² And they're worried: More than half of travel managers say travel risks increased in 2019, and almost half believe they'll rise again in 2020.³

Duty of care high on travel program priorities



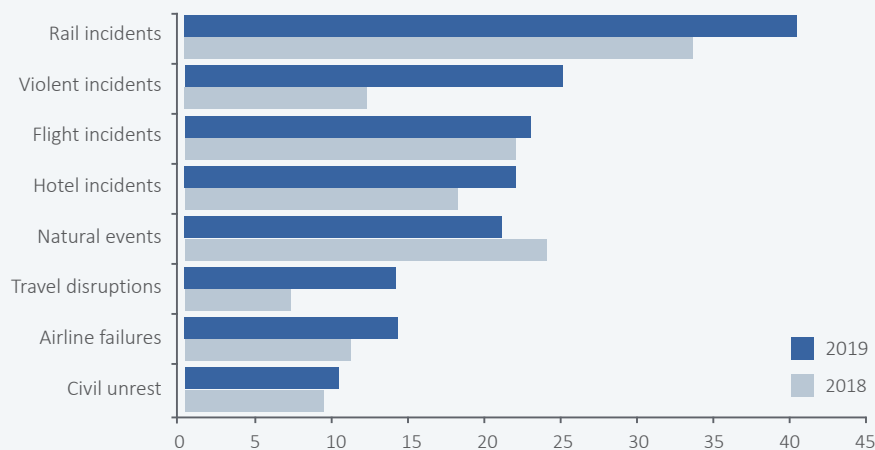
Source: BCD Travel

Travel risks on the rise

Travel-related incidents increased by almost one quarter in 2019.⁴ Compared to 2018, the number of violent incidents—those involving criminal or terrorist activity—and commonplace travel disruptions, such as airspace and airport closures, more than doubled.

Disruption caused by tsunamis, pandemic diseases, major earthquakes and other natural events showed the only decline in 2019.

If this survey were conducted today, it would no doubt show a marked increase in such incidents. Because the effects of COVID-19 are still evolving, it's hard to predict how things will unfold exactly.



Source: BCD Travel Global Crisis Management

¹ BCD Travel and GBTA, Nov. 19, 2019

² BCD Travel survey of 79 travel managers, Dec. 2019-Jan. 2020

³ [International SOS](#), Ipsos MORI Business Resilience Trends Watch 2019

⁴ BCD Travel Global Crisis Management Team

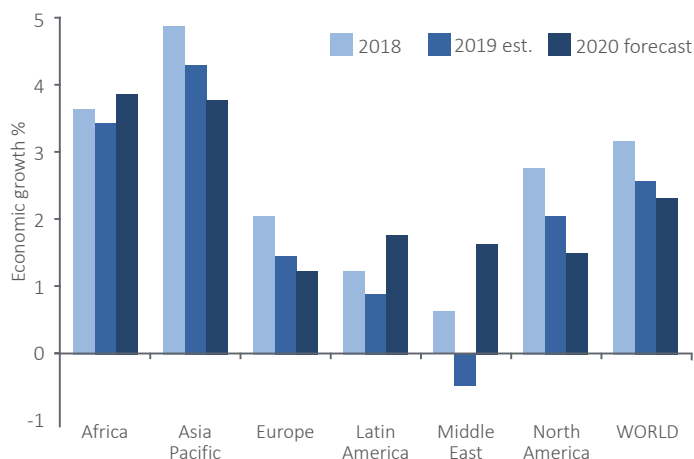
Economic risks

Prepare for subdued economic growth

Global growth slowed from 3.2% in 2018 to 2.6% in 2019, and economists expect it to slow further in 2020 to 2.3%, its weakest performance since 2009. But this worldwide figure disguises varying regional prospects. Of most concern is North America, where growth is forecast to slow to 1.5%, down from 2.1% in 2019, with the U.S. economy predicted to grow at its slowest pace since 2016. The situation in Europe is more stable, but growth is forecast to remain low at just 1.2%.

Economists had expected growth to reach a low point early in 2020, followed by a gradual pickup.⁵ But this now seems unlikely given the disruption to the Chinese economy and the global supply chain caused by the coronavirus outbreak. Economists expect growth to remain subdued in 2020.

A three-year view of the global economy



Source: Oxford Economics, February 2020

Trade war is a big economic risk to growth

The prospect of the trade dispute between China and the U.S. escalating into a global trade war is a top risk to the economic outlook.⁶ That's the view of more than half the respondents to Oxford Economics' fourth-quarter 2019 Global Risk Survey. This survey was conducted before the coronavirus outbreak. COVID-19 is clearly now the biggest threat and could push the global economy into its first recession since the global financial crisis of 2008/2009.

While concerns about the possibility of a U.S. recession are also growing, fewer than one in five respondents in the Oxford Economics survey listed it as a top concern. A similar proportion are worried that policy uncertainty around the world will weigh on global economic growth.

Have China-U.S. trade tensions genuinely eased?

Trade tensions between the U.S. and China eased after the two countries signed a Phase One deal aimed at de-escalating their bilateral dispute. Signed in January 2020, the agreement provides some welcome relief for both parties and the rest of the world. Yet there is much more to be done. China agreed to increase U.S. imports and act on product counterfeiting; the U.S. responded by halving some tariffs imposed on Chinese goods. But the U.S. will maintain up to 25% tariffs on \$360 billion worth of Chinese goods; China is expected to maintain most new tariffs levied on \$100 billion worth of U.S. products.⁷

⁵ Oxford Economics, World Economic Prospects, Dec. 2019

⁶ Oxford Economics, Global Risk Survey, Q4 2019

⁷ BBC, Jan. 15, 2020

The deal failed to lay out a timeline for reducing or eliminating these remaining tariffs. Companies and consumers will continue to pay more, and the threat of re-escalation remains, should China fail to satisfy the U.S. on its Phase One commitments.

The Brexit story continues

The United Kingdom's departure from the European Union (EU) on Jan. 31 ended more than three years of uncertainty. But this is not the end of the Brexit story. The U.K. and EU have until the end of 2020 to agree their future relationship. A free trade deal tops the to-do list, but negotiations must cover many more issues, some relating to travel, such as air services and security. The U.K. will also need new systems for handling immigration once freedom of movement ends.

During the 11-month transition period, nothing should change, and disruption should be minimal. But if negotiations fail to make progress as Dec. 31 approaches, uncertainty will return—bad news for corporate travel.

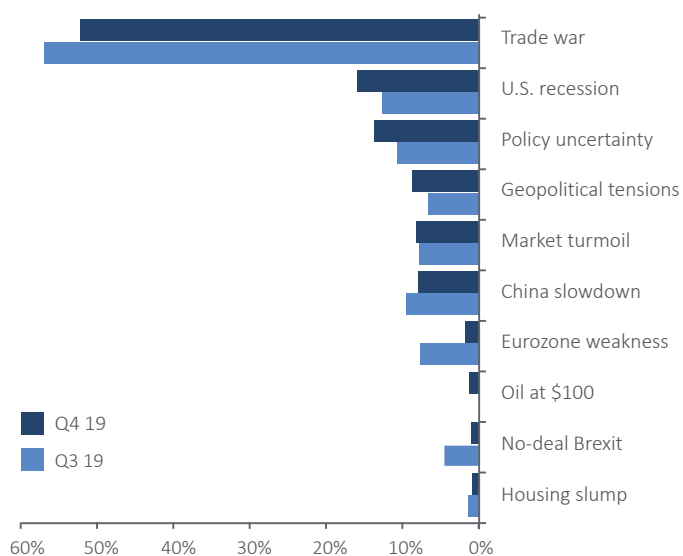
Travel managers should prepare for the possibility of lower travel volumes and increased travel restrictions between the U.K. and other countries. They will need to be even more cost-conscious. Suppliers may need to adjust revenue strategies to manage unpredictable demand.

European Commission President Ursula von der Leyen says a comprehensive U.K.-EU trade deal is impossible.⁸ If she's right, beware of a sharp depreciation in the value of the British pound. At a minimum, that would stoke inflation. A more extreme outlook from the Governor of the Bank of England is that a disorderly exit would push the world's fifth-largest economy into a deep recession.⁹ That could trigger a wider European crisis that hits Ireland hard and further weakens Italy and Spain, which haven't fully recovered from the last global economic downturn.

What travel buyers need to know about Brexit

Go to BCD Travel's [Move](#) for the latest on how to prepare your corporate program and your travelers for the changes Brexit will bring. BCD clients can get more detailed information and ask questions of BCD's Brexit experts via [Connect](#).

What are the biggest risks to economic growth?



Source: Oxford Global Risk Survey, Q4 2019



Manage price volatility

- BCD Travel's [Hotel Price Assurance \(HPA\)](#) and [Air Price Assurance \(APA\)](#) automatically search for better prices on the same rooms and flights, enabling corporate travel programs to take advantage of price fluctuations that swing in their favor.
- [Dynamic Performance Management™](#) from business travel consultancy Advito gives business travel managers access to year-round, data-driven insights. They gain constant visibility into shifts in pricing, traveler behavior and supplier performance, meaning they can seize opportunities to improve program performance 12 months a year.
- [DecisionSource® Reporting and Analytics](#) provides data-centered, actionable insights that enable corporate travel managers to make smart and swift decisions amid ongoing change.

⁸ [BBC](#), Jan. 8, 2020

⁹ [BBC](#), Nov. 28, 2018



Geo-political risks

The Middle East remains a hot spot

More than half of business travel professionals expect geo-political threats to disrupt travel in 2020—up from almost one-third in 2019,¹⁰ according to results of a survey by travel risk management firm and BCD Travel SolutionSource® partner International SOS.

The Middle East once again took center stage as a geopolitical hot spot, after a U.S. drone strike killed Iranian General Qasem Soleimani on Jan. 3, 2020. Iran threatened “severe revenge,” and the U.S. promised a “disproportionate” counter-response.¹¹

While neither country took those actions, there was still fallout, especially for travelers. Gulf Air and Royal Jordanian were among the airlines to temporarily suspend Iraqi services over safety and security concerns. The U.S. Federal Aviation Administration banned U.S. airlines from operating over Iraq, Iran, the Persian Gulf and the Gulf of Oman.¹² Then, on Jan. 8, Iran accidentally shot down a Ukrainian airliner, killing all onboard and unnerving travelers across the region.

The risks aren’t confined to Iraq and Iran: Travelers are vulnerable in much of the Middle East. Israel, Oman, Saudi Arabia, Turkey and the United Arab Emirates are among the countries where travelers are advised to exercise extreme caution.^{13 14} Places popular with tourists are particularly dangerous.

Events in the Gulf have increased concerns outside the Middle East, too. Germany is among the European countries raising its terror threat level, citing possible reprisals against U.S. and Israeli-affiliated institutions.¹⁵

Organized terrorist groups are still a threat

Terrorism remains a dynamic global risk, posing a serious threat to employees and companies.¹⁶ The degradation of organized groups like Al Qaeda and the Islamic State means seemingly random attacks by individuals are now the most likely threat in developed countries. Such attacks occurred across the world in 2020 in metropolises like Moscow and London, and in modestly sized cities like Pensacola, Florida, Jersey City, New Jersey, and in Den Haag in the Netherlands. Already in 2020, Paris, Gelsenkirchen in Germany, and London have seen new terror incidents. It’s too early to completely write off Islamic State. The prospect of a U.S. troop withdrawal from Iraq and continued exit from Syria could enable the terrorist organization to rebuild.¹⁷

Terror attacks last year in Nairobi, Kenya, and in several locations in Sri Lanka were reminders that other groups are capable of organizing attacks. Travel managers should take note, as the attacks targeted hotels in which business travelers typically stay. European and North American security services’ success in thwarting attacks may push terrorists to select more targets in Africa and Asia.

10 [Business Travel News](#), Dec. 20, 2019

11 [BBC](#), Jan. 6, 2020

12 [Twitter](#), FAA News Jan. 8, 2020

13 [The Telegraph](#), Jan. 4, 2020

14 [Global News](#), Jan 4, 2020

15 [Deutsche Welle](#), Jan. 4, 2020

16 Marsh, 2019 Terrorism Risk Insurance Report

17 [New York Times](#), Jan. 4, 2020

Political change could curb business travel

U.S. presidential elections typically create uncertainty that weighs on travel demand. In the last three U.S. election years (2008, 2012 and 2016), travel sales growth slowed to an average of 2.9%—a significant drop from the 14.3% average growth in the years preceding each of those elections.¹⁸

The American Society of Travel Advisors optimistically predicted that downward trend wouldn't happen in 2020—that was before the coronavirus outbreak. Half of respondents the organization surveyed predict business will be better in 2020 than in 2019.¹⁹

Congress' impeachment proceedings against U.S. President Donald Trump are expected to usher in an election runup that's more dynamic and divisive than usual. As he attempts to secure a second term, Trump may aim to enhance his appeal with his base of voters, and that could affect business travel. For example, his administration's 2017 electronics ban on flights from the Middle East had immediate implications for corporate travelers.

In January 2020, the Trump administration reignited the immigration debate by stopping new residency visas for nationals from six more countries.²⁰ It also announced plans to crack down on so-called "birth tourism," and the related limits on B-1/B-2 visas could restrict travel for pregnant women coming to the U.S. for business meetings.

Elsewhere, governments elected in 2019 in Argentina and India are also implementing policies with indirect and direct implications for travel.

As part of a national economic emergency law aimed at stabilizing its economy and currency, Argentina's newly elected government has introduced a 30% tax on international air tickets bought in the country.²¹ It applies to tickets sold by foreign airlines in Argentinian pesos or other currencies. Travelers' choices are to pay 30% more for foreign carriers' tickets or to switch to local carrier Aerolineas Argentinas, which is exempt from the tax.

In India, civil unrest erupted in December after the national government amended the Citizenship Amendment Act (CAA) in ways criticized as anti-Muslim.^{22, 23} Violent protests across the country continued into January, raising the temperature in the runup to February's assembly elections in New Delhi.



Civil unrest depresses travel demand in Hong Kong

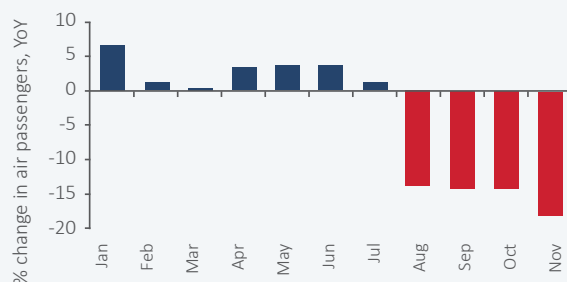
Hong Kong has been rocked by anti-government protests since June 2019. Civil unrest continues, despite the withdrawal of the extradition bill that sparked initial protests. Air and ground transportation have been disrupted; travelers faced chaos in August when protests forced the closure of Hong Kong International Airport (HKIA).²⁴

The unrest has depressed air travel to Hong Kong. Total demand fell 16.2% year over year (YoY) in November 2019, although transfer traffic increased by 6% and departures from Hong Kong rose 5%.²⁵ Demand fell by a further 12% in both December and January 2020.

Combined passenger counts for Hong Kong airlines Cathay Pacific and Cathay Dragon dropped 9% year over year in November 2019.²⁶ Inbound traffic slumped 46%; outbound fell 8%. Lower demand forced rival carrier Hong Kong Airlines to end North American services, reducing traveler choice in these markets.

The political troubles and regional trade tensions led to Hong Kong's economy contracting 3.2% in the third quarter of 2019. This economic weakness will inevitably depress business travel.

Hong Kong air travel fell in 2019



Source: Hong Kong Civil Aviation Department

¹⁸ [Skift](#), Dec. 31, 2019

¹⁹ [TravelAge West](#), Dec. 8, 2019

²⁰ [The Guardian](#), Jan. 31, 2020

²¹ [Cirium](#), Dec. 30, 2019

²² [Times of India](#), Jan. 7, 2020

²³ [BBC](#), Dec. 22, 2019

²⁴ [The Independent](#), Aug. 12, 2019

²⁵ [Hong Kong International Airport](#), Dec. 15, 2019

²⁶ [Cathay Pacific](#), December 2019

Domino's improves duty of care in Hong Kong—and around the world

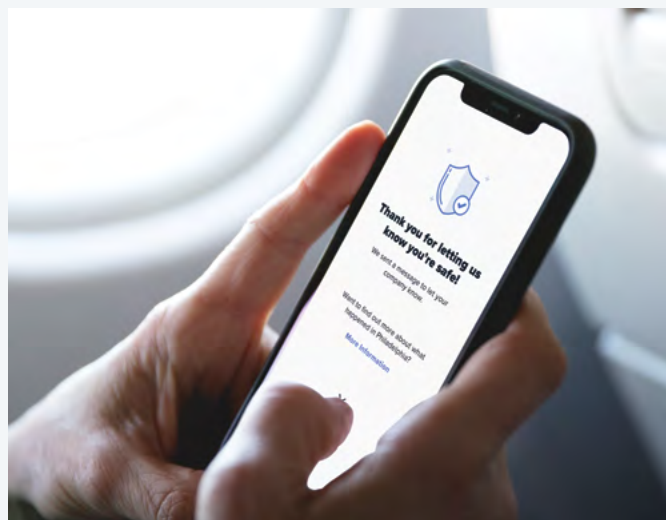
Domino's leverages the power of BCD Travel platforms to keep travelers safe, and its ability to manage through the unrest in Hong Kong has proved the strategy's value. The global pizza restaurant chain now has a single view of essential employee information, making it easier to find and help its people in a crisis—whether they're traveling for business or commuting to the office.

"We needed layered duty of care to make sure we didn't miss anybody," said Domino's Travel & Events Manager Becky Kalucki, who leads the global program from the company's U.S. headquarters in Ann Arbor, Michigan. Kalucki worked with her internal stakeholders in security and human resources, as well as BCD Travel, to come up with a solution. The framework:

1. Use a single intelligence and analytics platform, BCD's DecisionSource, as the home base for complete employee data, including office addresses, emergency contacts, travel bookings and more.
2. Rely on crisis management experts from BCD and International SOS, Domino's duty of care provider and a partner in BCD's SolutionSource marketplace, to monitor and advise on travel incidents worldwide.
3. Tap reporting capabilities in DecisionSource to identify travelers and employees who could be affected by an emergency.

4. Leverage BCD's Traveler Care solution to combine DecisionSource intelligence with traveler communications capabilities in BCD's TripSource® traveler platform. Alerts advise potentially affected employees of danger and prompt them to check in with a one-click "I'm Safe" button.

The protests and disruptions in Hong Kong proved the value of Kalucki's plan. Employees have stayed informed, safe and productive. Plus, the rigor around duty of care has increased traveler compliance. She estimates 90% of Domino's corporate trips now are booked through proper, in-policy channels. That's an increase of 21 percentage points since the layered duty of care plan rolled out in December 2018.



Duty of care for a diverse workforce

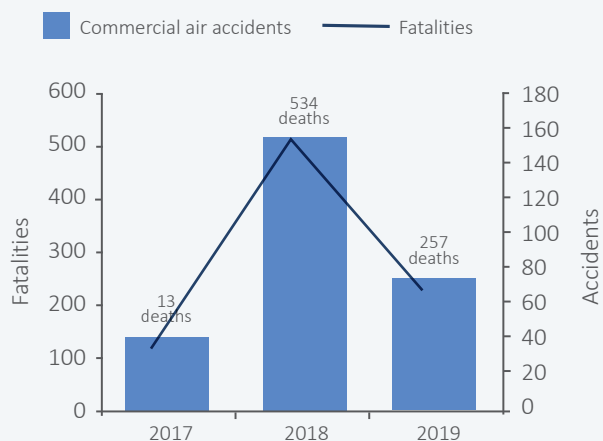
Companies must look after the safety and well-being of all travelers, but traveler ethnicity, gender, age and sexuality require particular considerations. International SOS, a partner in BCD Travel's SolutionSource marketplace, offers some guidelines for protecting business travelers:

- Understand the heightened risks for diverse employees. Will ethnicity, gender or sexual orientation increase an employee's chances of being targeted in certain countries?
- Inform company leaders about potential risks and duty of care responsibilities.
- Educate employees about risks and precautions.
- Make it easy for travelers to communicate with your company about concerns or incidents.
- Create and test a plan of response to handle any incidents.

The safety of flying

Air accidents may grab the headlines, but flying remains one of the safest forms of transportation. Despite high profile crashes at Aeroflot and Ethiopian Airlines, there was only one fatal accident for every 5.58 million flights last year.²⁷

The industry had its safest year ever in 2017, recording just two fatal incidents and 13 lives lost across 48 accidents involving commercial airlines. While accidents and fatalities rose in 2018, air safety improved in 2019.



Source: To70, 2019 Civil Aviation Safety Review



Manage crises

- The [Traveler Security Program Assessment](#) by BCD Travel gauges whether a company's duty of care practices and policies are effective and comprehensive enough to cover today's travel risks. The assessment explores 11 core aspects of travel risk management, including extreme weather, terrorist attacks, thefts, illnesses, accidents and more.
- As part of [Traveler Care](#), all BCD Travel clients have access to [Emergency Response Notifications](#), which uses [DecisionSource](#) traveler location information to identify travelers potentially affected by an emergency; send mobile alerts about the situation via the [TripSource](#) traveler platform; and prompt them to check in using the TripSource "I'm Safe" button. Companies can continue to communicate with affected travelers until the crisis is over or the traveler is safe.
- Through BCD Travel's [SolutionSource](#) platform, companies can partner with third-party risk management providers, including Anvil, International SOS and WorldAware, to expand and tailor corporate travel risk management programs to meet their unique business needs.
- BCD clients can add emergency numbers, details about employee health insurance and more to their Travel Program page in TripSource to give travelers quick access to important company information in an emergency.
- [TripSource notifications](#) give travelers up-to-the-minute flight information, letting them know about delays, gate changes and cancellations.
- Go to [Connect](#) by BCD Travel to get news, insights and advice on topics and trends affecting your program. It's a single place to hear directly from BCD experts, collaborate with your peers, access program support resources and stay informed.



Fraud and cyberattacks

Simple fraud is a big problem

The risk of travel-related fraud is growing: 68% of U.S. travel buyers surveyed by GBTA and AirPlus International in 2019 said travel programs face a greater threat than two or three years ago. While it's easy to be distracted by headline-grabbing cybercrimes and data breaches, low-level travel-related fraud occurs every day. And it's costly. The typical organization loses 5% of annual revenue to fraud, according to the Association of Certified Fraud Examiners.

Small-scale crimes like skimming credit cards, raiding loyalty accounts and hacking keyless entry systems cause financial losses and traveler stress. Phishing and social engineering are low-tech crimes with high-cost consequences.

And here's an unsettling fact: The fraudsters may be your employees and co-workers, especially if you use old-fashioned payment and expense systems. Employees who submit expenses using receipts and spreadsheets are twice as likely to commit fraud than those using automated expense management solutions, according to data from Chrome River.

How can your company fight back? Use solutions like Virtual Payment Automation to reduce opportunities for expense report cheating. And combat phishers and other fraudsters from the outside by adopting a "no-profile, no-booking" corporate travel policy, advises **Andreas Decker**, BCD's senior vice president of Global Internal Audits.

How to fight travel fraud with tighter booking policies

The U.S. Federal Bureau of Investigation (FBI) has warned that fraudsters are booking flights through travel management companies by posing as their clients' employees.²⁸

Imposters use real names and titles gathered from social media and other sources. In some cases, they even trick the client into contacting TMC staff to confirm the fraudulent booking is genuine.

Signs of suspicious activity include:

- Calls made to a central reservation number, rather than a dedicated team number
- Claims the reservation is urgent, often with departures within 48 hours
- Failure to provide specific details, such as the final four numbers on a credit card
- The use of group or business unit email addresses during booking
- Booking one-way tickets, particularly to Africa or the Middle East

Travel leaders are payment police

Many travel departments make payment decisions—55% of travel leaders who responded to the BCD-GBTA survey say their departments are in charge of selecting the payment solutions their travelers use. That's a huge responsibility. The sheer volume of money allocated to travel-related expenses—often as much as 10% of a company's overall budget—draws the attention of criminals and even in-house fraudsters. So, travel leaders must police what's happening with payments. A few digital developments may help them when on patrol.

Strong Customer Authentication

Strong Customer Authentication (SCA) is a two-factor authentication process for remote payments. It was due to come into force in the European Economic Area in mid-September 2019, but was delayed to Dec. 31, 2020 (March 14, 2021, in the U.K.). Extra authentication is needed to reduce card payment fraud. But SCA has its challenges: Payments do not always occur at booking, and a traveler might be traveling, driving or asleep when the second authentication is required.

Those complications could drive corporate travel programs toward payment systems linked to a company's central account—thereby removing the business traveler from responsibility for trip-related payments. A lodge card is an example of this kind of central payment; virtual credit cards are a more modern solution. Twenty-seven percent of travel programs already use some type of virtual card, according to research by GBTA.

Emerging technologies: Artificial intelligence and blockchain

Emerging technologies have the potential to give companies more control over travel-related payments, while also simplifying trips for their employees. Now- and near-term solutions can combat fraud by adding visibility to payments and reducing or eliminating manual processes that increase opportunities for dishonesty, inside and outside companies.

Solutions powered by artificial intelligence can reference multiple data sources to check for fraud indicators, such as unreasonably high fares for flights or hotels or the authenticity of suppliers (i.e., verifying that a payment listed for a hotel is not actually for a nightclub). In addition, AI can help reduce fraud at the point of payment by checking the current transactions against characteristics of previous fraudulent transactions.

Blockchain is designed to replace expense reporting. It's still in early stages, but the technology has the potential to reduce fraud and errors by making transactions virtually tamper-proof. Think

of the technology as a digital ledger that stacks transactions in a chronological sequence. Blockchain collects the full story of all transactions and independently reports it to multiple parties, so the data is indisputable. BCD Travel is partnering with IBM and travel tech company Travelport on a [blockchain](#) solution for hotel transactions.²⁹

Biometrics holds promise and risks

Biometrics is increasingly used as a more secure way of identifying travelers. But even it can be vulnerable, as the U.S. Customs and Border Protection agency found in 2019.³⁰ A cyberattack involving facial images of up to 100,000 people showed that there can be no room for complacency as airlines and airports around the world introduce facial recognition and biometric programs. The criminals are keeping up.

Increase your payment IQ

Emerging technology is transforming the security and efficiency of payments. Check out BCD Travel's series of [Inform reports on digital trends](#), including new solutions that are reshaping business travel.



Manage cyberthreats and fraud



- [Virtual Payment Automation](#) by BCD Travel takes the traveler—and the fraudster—out of the travel payment process. Electronically generated unique virtual card numbers can be restricted to particular suppliers, defined time periods and set amounts. Virtual credit cards are fenced in and can be linked to automated travel and expense reporting. That improves oversight, streamlines processes and avoids the risk of exposing employees' personal credit card information to scammers.

²⁹ [BCD Travel](#), Move, July 29, 2019

³⁰ [Buying Business Travel](#), June 11, 2019



Health and safety risks

Coronavirus puts the risk of disease in the spotlight

According to the World Health Organization (WHO), large outbreaks of deadly diseases are becoming the “new normal.”³¹ Climate change, rainforest depletion, large and highly mobile populations, weak governments and conflict are making outbreaks of diseases like Ebola, cholera and yellow fever more likely and able to rapidly spread. The COVID-19 coronavirus is the latest example.

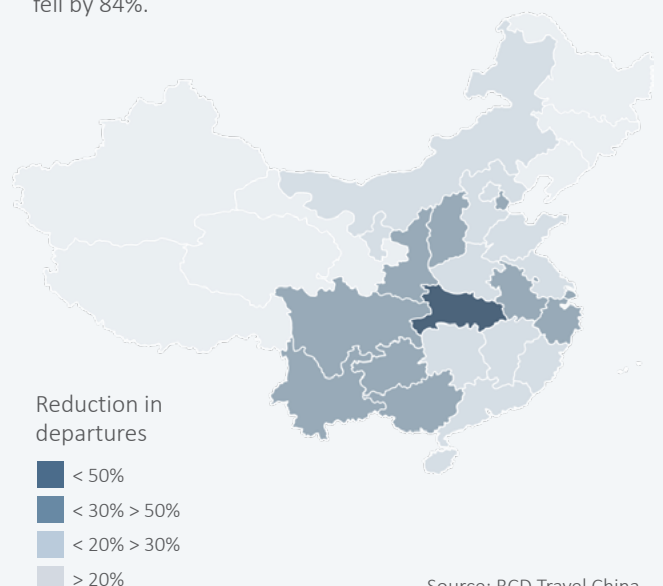
Originating in Wuhan, China, COVID-19 has already infected more than 80,000 people across China and caused more than 3,100 deaths across the country.³² The disease has already spread overseas, with cases recorded in at least 105 countries and territories around the world, prompting the WHO to declare a global emergency.³³ In an effort to contain the disease, international airlines suspended all services to China.

The rapid spread of the virus has revived memories of the SARS (severe acute respiratory syndrome) outbreak, which also began in Asia.

The SARS outbreak lasted around eight months and killed 774 people out of around 8,100 confirmed cases—a 9.6% mortality rate. COVID-19 has spread more rapidly, with 78,811 cases recorded in one month, but the mortality rate appears to be much lower at 3.1%.³²

Coronavirus fears ground flights

From Jan. 27 to Feb. 7, concerns about the coronavirus led airlines to cancel flights in every province in China. In Hubei, where the disease was first reported, departures fell by 84%.



As the disease spread, airlines around the world scaled back services to other markets, including Hong Kong, South Korea, Singapore, Iran and Italy.

31 [BBC](#), June 7, 2019

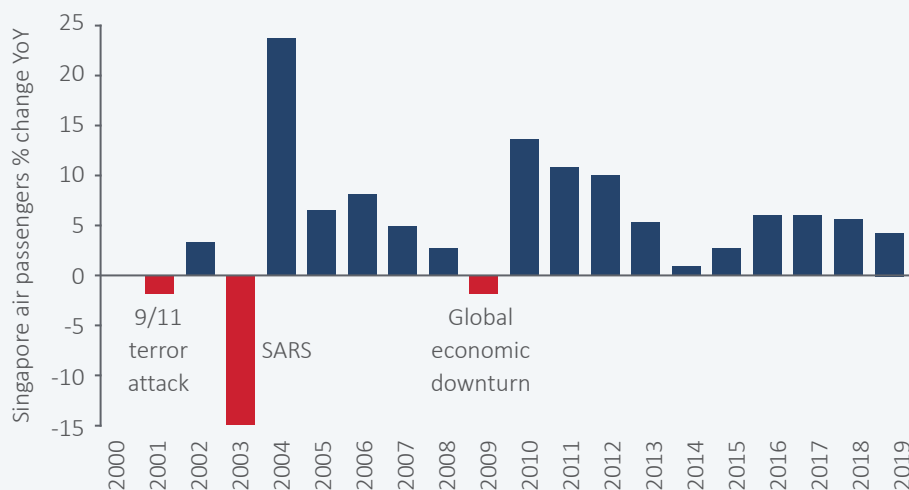
32 [World Health Organization Coronavirus disease 2019 \(COVID-19\) Situation Report 50](#).

33 [BBC](#), Jan. 31, 2020

A disease's grip on travel

The outbreak of severe acute respiratory system (SARS) in the early 2000s killed 774 people and was more disruptive to air travel than the 9/11 terror attacks or the global economic downturn in 2009.

Governments and companies are applying lessons learned from SARS to the current response to the COVID-19 coronavirus.



Source: Changi Airport Group

Diseases rise as vaccinations decline

Low inoculation rates in Europe and North America mean travelers must contend wherever they travel with diseases such as measles, mumps and rubella that once were considered under control. In 2019, the WHO listed Belgium, France, Germany and Italy among the European countries suffering measles endemics.³⁴ In 2019, the Pacific island of Samoa declared a state of emergency following more than 60 deaths associated with a measles outbreak. Business travelers need to understand the risks and check for health alerts, even when traveling to familiar destinations.

Climate-related disruptions increase

Since the second half of the 19th century, the global mean surface temperature has increased by 0.87°C.³⁵ This warming has increased the frequency, intensity and duration of heat-related events in most parts of the world. Bushfires that started in Australia in July 2019 raged for months, killing more than 20 people, destroying thousands of homes and devastating vast areas of land. Leaders in New South Wales, the hardest-hit state, are investigating how climate change, human activity and other factors contributed to the fires.³⁶ Climate change will make such events larger and more frequent, and thereby more disruptive to travel.³⁷

The World Economic Forum believes growing concerns about climate change and extreme climatic events will trigger the next major migration crisis or promote civil unrest.³⁸ It points to the drought preceding the Syrian civil war as evidence.

Whether it's flooding in South Africa, severe hailstorms in Guadalajara, Mexico,³⁹ or bushfires in Australia, travelers are increasingly faced with disruptions caused by extreme natural events. As most are difficult to predict, the best way to reduce risk is for companies to plan responses and prepare travelers.



Manage traveler communications

[TripSource notifications](#) give travelers the information they need to react quickly to disruptions—whether they're coming from airlines or Mother Nature.

Create relevant, omni-channel content with [Traveler Engagement](#)TM. City guides, videos, newsletters and more highlight emerging risks and help travelers know what's happening and how to stay safe.

Manage the impact of travel

Advito's [Sustainable Collaboration](#) examines the drivers of travel demand and considers ways to mitigate the environmental and employee-wellness impacts of travel, including by promoting alternative collaboration options through traveler engagement campaigns.

³⁴ [World Health Organization](#), May 9, 2019

³⁵ [IPCC Special Report](#), Climate Change and Land, Aug. 2019

³⁶ [BBC](#), Jan. 29, 2020

³⁷ [Scientific American](#), Dec. 31, 2019

³⁸ [World Economic Forum](#), Dec. 12, 2019

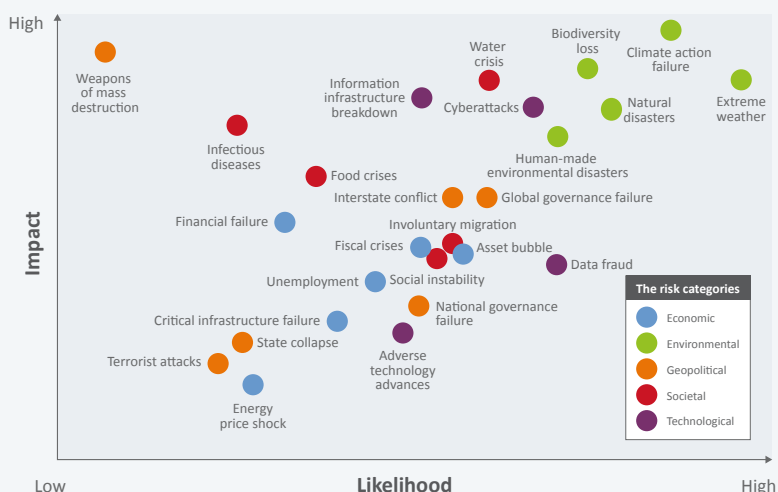
³⁹ [BBC](#), July 1, 2019

Environmental risks take the lead

For the first time, environmental risks dominate warnings from the World Economic Forum.

Extreme weather, natural disasters and failure to protect the environment outrank infectious diseases, food and water crises and weapons of mass destruction.

This will undoubtedly change in light of the COVID-19 coronavirus outbreak. Once the disease's effects recede, environmental risks should be restored as the main long-term concern.



Source: World Economic Forum, *Global Risks Report*, Jan. 15, 2020

Get ready for risks ahead

Business travel risks are on the rise, and so are travelers' expectations for how companies should help them stay safe and deal with disruptions. Strong partnerships between businesses and their travel management companies pave the way for mitigating risks, complying with duty of care and increasing traveler satisfaction.

Discover how BCD Travel can help your corporate travel program prepare for the risks ahead.

The COVID-19 coronavirus situation is rapidly evolving. BCD Travel clients should follow developments on [Connect](#), the digital community that serves as a single destination for program best practices, product updates and case studies, proprietary research, industry trends, support, account details and more.

Get to know the BCD Travel Research & Innovation team



Miriam Moscovici

Senior Director
Innovation and Research



Mike Eggleton

Director
Research and Intelligence



Laurent Schouteten

Senior Manager
Corporate Innovation



Natalia Tretyakevich

Senior Manager
Research and Innovation

About BCD Travel

BCD Travel helps companies make the most of what they spend on travel. We give travelers innovative tools that keep them safe and productive, and help them make good choices on the road. We partner with travel and procurement leaders to simplify the complexities of business travel, drive savings and satisfaction, and move whole companies toward their goals. In short, we help our clients travel smart and achieve more. We make this happen in 109 countries with almost 13,800 creative, committed and experienced people. And it's how we maintain the industry's most consistent client retention rate, with 2018 sales of US\$27.1 billion. For more information, www.bcdtravel.com.