

**Decision-making autonomy - a novel approach to business
traveler segmentation**

Discussion Paper

Adrian Müller

Center for Aviation Competence at the Institute for Systemic Management and Public Governance,

University of St.Gallen,

Dufourstrasse 40a,

9000 St.Gallen, Switzerland

adrian.mueller@unisg.ch

1 BUSINESS TRAVELERS - ALL THE SAME?

Are business travelers fundamentally different to leisure travelers? There are opposing positions about this question of idiosyncrasy. While much of the related literature and the definitions contained therein reflect the assumption that business travelers differ substantially from leisure travelers (Unger, Uriely, & Fuchs, 2016), Harris and Pressey (2021), for example, take the position that this assumption is flawed. Based on qualitative and quantitative research insights into business travel, this research note enriches the discussion on business tourist idiosyncrasy with a new perspective and suggests a starting point for further research on business traveler segmentation.

Instead of immediately addressing the question of whether leisure and business travelers are different, or whether the boundaries between the two are starting to blur as part of hybridization (Boztug, Babakhani, Laesser, & Dolnicar, 2015; Lichy & McLeay, 2018), one should first address the question whether business travelers are all the same. Many of the common definitions of business travel – e.g., by Molotch and Boden (1994), Swarbrooke and Horner (2001), Davidson and Cope (2003) and Aguilera (2008) – are solely concerned with the fact that the latter involves trips that are in some way related to work. According to this rather simplistic definitional approach, one could at most ask whether there is a difference between *business travel* and *corporate travel*. Even if from a linguistic perspective a division into more individually characterized business travel and more company-driven corporate travel could be made, these terms are largely used synonymously in the literature (Davidson & Cope, 2003; Page & Connell, 2020).

Commonly, one also encounters the acronym MICE (Meetings, Incentives, Conferences, Events), which sub-divides the phenomenon according to the (main) purpose of such trips. This classification by purpose of trip, even if supplemented with further categories, still seems to be an oversimplification since it does not consider the *type* of traveler, which can be substantially heterogeneous even within homogenous categories. For example, at the same event travelers can come together from diverse industries, from different hierarchical levels, and with completely differing motives, needs, intentions, and preferences.

So why is it important not to lump all business travelers together? Having a more differentiated or more reflective view of business travelers, as Harris and Pressey (2021) call for, would help to better understand their decision-making behavior. While some business travelers may indeed be similar to their leisure counterparts in the way they decide about their travel – hence suggesting that the same theories that scholars use to explain leisure tourist behavior are applicable – others may be more restricted and externally influenced in their choice behavior, making the ‘grand theories’ less applicable and calling for different approaches to explain their behavior. By applying the concept of

decision-making autonomy to business travelers based on my current research, I intend to contribute to a richer and ideally more complete appreciation of the complexity of business traveler behavior.

2 IS THE DECISION-MAKING BEHAVIOR OF BUSINESS TRAVELERS AUTONOMOUS?

My proposition to use decision-making autonomy as a segmentation criterion for business travelers is grounded in recent empirical data. It is often assumed that business travelers have great latitude in their decision-making (Kesselring & Vogl, 2010; Wickham & Vecchi, 2010). However, in a recent study, I surveyed the business customers of an international airline (N=503) about their business travel behavior. Among other things, I was interested in the extent to which travelers can decide for themselves whether and how they travel for work. Just under 47% of respondents reported having complete control over this decision. Thus, the majority of respondents feel that their freedom of choice is restricted in some way. A closer look at the sample reveals other interesting aspects. Not surprisingly, most people classified as top management (66%) and self-employed (85%) had complete decision-making freedom. In middle management, however, this share dropped drastically to 19%. Thus, business travel decisions are certainly formally determined.

When filtered by company type, this research shows that travelers in internationally active SMEs have a high degree of choice-making freedom (57%), but only a quarter of all travelers in large companies and public institutions can make completely free decisions. Hence, business travel decisions also depend on the type of organization. Recent interviews with individuals from organizations associated with a high degree of business travel support this conclusion, and suggest including stakeholder expectations, company strategy, and personal interests, among other factors, as additional determinants. The latter study also found that many business travelers would travel less for the sake of their family or health, if they could. This is consistent with the findings in the literature (Cohen, Hanna, & Gössling, 2018; Cohen & Kantanbacher, 2020; Willis, Ladkin, Jain, & Clayton, 2017). In short, a majority of business travelers see their decision-making autonomy as curtailed in some way (Lassen, 2010). Based on this understanding, I hypothesize that, in the context of business travel, decision-making autonomy is an essential and so far neglected aspect which may be used to segment the market and understand traveler behavior.

First, we must distinguish between which types of decisions exist in the context of business travel. Initially, there is the fundamental decision as to whether a business trip should be undertaken at all. In the process, the fundamental necessity of the latter is evaluated and alternatives such as virtual communication are also appraised. This process differs from motivation and inspiration processes as we know them from the leisure segment, and is strongly influenced by external, structural conditions (Müller & Wittmer, 2022). Subsequently, additional downstream decisions are made in the travel process once the fundamental decision to go on a business trip has been made. They include, for example, choices about means of transport, hotel, or length of stay, which decisions are typically more

comparable to those of leisure travelers and are less externally determined. I find in my research that the degree of external influence is not the same for all decisions – or, to put it another way, the behavior of business travelers is largely determined by how much decision-making autonomy they have in relation to their respective travel situations.

As defined by Deci, Connell, and Ryan (1989), autonomy or self-determination “means [...] experienc[ing] a sense of choice in initiating and regulating one’s own actions” (p. 580). Having a sense of choice implies flexibility and a lack of pressure. This is opposed to the feeling of being controlled, which is distinguished by greater rigidity and a feeling of being obliged to engage in an activity, implying intention, but a lack of genuine choice (Deci & Ryan, 1987). According to De Charms (2013), when people are controlled in some way they are 'pawns' in relation to desired outcomes, even if they intend to achieve those outcomes, a position that has been criticized by Harris and Pressey (2021) in the context of business travel. While I agree that this view falls short of a universal one, my perspective is that it is undeniable that business travelers cannot decide and act fully autonomously in most cases.

In this regard, Deci and Ryan (1987) explain in more depth that, among other things, external events, the interpersonal context, or personal factors influence perceived autonomy. Based on my own research into business travel, I propose three different ways of looking at business travelers' decision-making autonomy:

- Formal autonomy:* Refers to hierarchical position, whereby organizational policies determine formal decision-making power in relation to most characteristics of business travel (e.g., traveling vs. not traveling, mode of transportation, class of travel, duration of travel, etc.).
- Personal autonomy:* Business travel decisions are influenced by aspects associated with the individual traveler (e.g., family, health, personal goals)
- Contextual autonomy:* Business travel decisions are limited by factors related to work (e.g., corporate strategy, industry norms, stakeholder expectations, market demands, etc.) or the built or natural environment (e.g., availability, distance, etc.).

While I find formal and personal autonomy to be relatively constant intertemporally, contextual autonomy can change, sometimes significantly, depending on the travel situation. For example, a solo doctoral student at a university may have more overall decision-making autonomy than a married dean at the same university, while a middle-level manager in an international insurance group may be freer

in relation to their travel decisions than the CEO of an SME. Even the participation in conferences of a scientist might be less restricted than the client visits of a management consultant.

As to which form is the most dominant, and how the different forms influence each other, definitive statements cannot be made at present, and are the subject of further research. Nevertheless, I believe that this novel, more specific way of thinking about business travel segmentation has several advantages.

3 CONCLUSION

At first glance, segmenting business travelers by their degree of decision-making autonomy seems to increase the complexity of marketing and managing business travel for practitioners and academics alike. This approach certainly increases the need for information – i.e., a deeper understanding of the respective travel decision situation and its context is necessary. However, I see this as an approach that can subsequently increase the effectiveness of marketing and management measures. On the one hand, understanding who actually makes and influences travel decisions allows for a much more tailored marketing mix. On the other hand, managing the behavior of business travelers can occur flexibly and in a self-regulated way, or occur through control, according to the concept of autonomy by Deci and Ryan (1987). While control-oriented approaches rely on formal rules, surveillance, and sanctions, self-regulated approaches are based on employee involvement and responsibility (Gustafson, 2013). There is a specific current and urgent use case in practice in relation to which this insight is particularly relevant.

Undoubtedly, it is essential to include business travel in attempts to decarbonize the tourism industry. However, tourism policy is often incompatible with climate policy (Scott & Gössling, 2022). In the case of business travel, the question often arises who is ultimately responsible for the GHG emissions of business travelers. Does the company or the traveler bear the responsibility for making GHG reductions? This proposal for segmentation can provide a point of reference for answering this question in a fact-based and context-dependent manner. When a business traveler has a high degree of autonomy, it may be legitimate to point to the travelers' own responsibility for their emissions. However, in most cases, organizations cannot deny their responsibility as they determine their employees' travel behavior to a large extent. Accordingly, measures aimed at fostering the transition to low-carbon business travel should be chosen that correspond to the respective decision-making autonomy of the traveler. These findings should inform the development of organizational and public business travel policies.

Finally, I conclude, as Harris and Pressey (2021) do, that a more nuanced approach to studying business traveler behavior is appropriate. My view, however, is that the focus should not (only) be on the distinction between business and leisure travelers, but also on the heterogeneity among business travelers, which thus far has not been given enough attention. Through the conceptual considerations presented here, which I support with empirical insights, I highlight this need and propose a starting point for further research into the decision-making autonomy of business travelers, and for better understanding the behavior of this often-neglected segment.

REFERENCES

- Aguilera, A. (2008). Business travel and mobile workers. *Transportation Research Part A: Policy and Practice*, 42(8), 1109-1116. doi:10.1016/j.tra.2008.03.005
- Boztug, Y., Babakhani, N., Laesser, C., & Dolnicar, S. (2015). The hybrid tourist. *Annals of Tourism Research*, 54, 190-203.
- Cohen, S. A., Hanna, P., & Gössling, S. (2018). The dark side of business travel: A media comments analysis. *Transportation Research Part D: Transport and Environment*, 61, 406-419. doi:10.1016/j.trd.2017.01.004
- Cohen, S. A., & Kantanbacher, J. (2020). Flying less: personal health and environmental co-benefits. *Journal of Sustainable Tourism*, 28(2), 361-376. doi:10.1080/09669582.2019.1585442
- Davidson, R., & Cope, B. (2003). *Business travel. conferences, incentive travel, exhibitions, corporate hospitality and corporate travel*. Rob Davidson and Beulah Cope: FT Prentice Hall.
- De Charms, R. (2013). *Personal causation: The internal affective determinants of behavior*: Routledge.
- Deci, E. L., Connell, J. P., & Ryan, R. M. (1989). Self-determination in a work organization. *Journal of applied psychology*, 74(4), 580.
- Deci, E. L., & Ryan, R. M. (1987). The support of autonomy and the control of behavior. *Journal of personality and social psychology*, 53(6), 1024.
- Gustafson, P. (2013). Control and commitment in corporate travel management. *Research in Transportation Business & Management*, 9, 21-28. doi:10.1016/j.rtbm.2013.03.002
- Harris, L. C., & Pressey, A. (2021). The myth of business tourist idiosyncrasy. *Annals of Tourism Research*, 91, 103186. doi:<https://doi.org/10.1016/j.annals.2021.103186>
- Kesselring, S., & Vogl, G. (2010). '... Travelling, where the opponents are': Business travel and the social impacts of the new mobilities regimes. In J. V. Beaverstock, B. Derudder, J. Faulconbridge, & F. Witlox (Eds.), *International Business Travel in the Global Economy* (pp. 145-162). Farnham: Ashgate.
- Lassen, C. (2010). Environmentalist in Business Class: An Analysis of Air Travel and Environmental Attitude. *Transport Reviews*, 30(6), 733-751. doi:10.1080/01441641003736556
- Lichy, J., & McLeay, F. (2018). Bleisure: motivations and typologies. *Journal of Travel & Tourism Marketing*, 35(4), 517-530. doi:10.1080/10548408.2017.1364206
- Molotch, H., & Boden, D. (1994). The compulsion of proximity. In R. Friedland & D. Boden (Eds.), *Now/here: Time, Space and Social Theory*. Berkeley: University of California Press.
- Müller, A., & Wittmer, A. (2022). The choice between business travel and video conferencing after COVID-19 - Insights from a choice experiment among frequent travelers. [Manuscript submitted for publication], Institute for Systemic Management and Public Governance. University of St. Gallen.

- Page, S. J., & Connell, J. (2020). *Tourism: A modern synthesis*: Routledge.
- Scott, D., & Gössling, S. (2022). A review of research into tourism and climate change - Launching the annals of tourism research curated collection on tourism and climate change. *Annals of Tourism Research*, 95, 103409. doi:<https://doi.org/10.1016/j.annals.2022.103409>
- Swarbrooke, J., & Horner, S. (2001). *Business, travel and tourism. John Swarbrooke and Susan Horner*: Butterworth-Heinemann.
- Unger, O., Uriely, N., & Fuchs, G. (2016). The business travel experience. *Annals of Tourism Research*, 61, 142-156. doi:10.1016/j.annals.2016.10.003
- Wickham, J., & Vecchi, A. (2010). Hierarchies in the air: varieties of business air travel. In J. V. Beaverstock, B. Derudder, J. Faulconbridge, & F. Witlox (Eds.), *International Business Travel in the Global Economy* (pp. 125-143). Farnham: Ashgate.
- Willis, C., Ladkin, A., Jain, J., & Clayton, W. (2017). Present whilst absent: Home and the business tourist gaze. *Annals of Tourism Research*, 63, 48-59. doi:10.1016/j.annals.2016.10.008