



# Employers' business travel needs from rail

February 2009

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# Foreword

**T**he latest National Passenger Survey (Autumn 2008) results for business passengers show that 84% were satisfied overall with their rail journey and 83% were satisfied with punctuality/reliability. This is the highest result achieved since the survey began in 1999.

With service improving on the railways, train companies have the potential to tap into the lucrative business travel market, which accounts for 16%<sup>1</sup> of the total journeys made. However, a third of business passengers are still not happy with the price paid for their train ticket and only three in five passengers were satisfied with the range of tickets available to them<sup>2</sup>.

Passenger Focus commissioned FDS International to undertake research with employers to discover which factors affected their choice of travel, what influenced their perceptions of rail and, crucially, what are the barriers to using rail for business journeys. Our research shows that businesses still perceive the service to be poor (40% cited unreliability/cancellation/delays as a disadvantage of using rail) and a third of businesses still consider rail to offer poor value for money. The value for money ratings were mainly driven by lack of incentives, affordability and the need for flexible tickets, which meant employers perceive they were paying excessive prices. The research also highlighted that in three quarters of cases staff travelled standard class when using rail.

We urge the industry to address the issues raised and the recommendations made within this report in order to make rail more attractive to employers. Given that business travel takes place throughout the day, much of it between the morning and evening peak periods<sup>3</sup>, not only is this market important in its own right, but it also provides an opportunity to increase growth at a time when the railway has spare capacity.

A handwritten signature in black ink, appearing to read 'Colin Foxall'.

**Colin Foxall CBE**  
Chairman  
Passenger Focus

<sup>1</sup> National Rail Travel Survey, 29 May 2008, Department for Transport  
[www.dft.gov.uk/pgr/statistics/datatablespublications/railways/](http://www.dft.gov.uk/pgr/statistics/datatablespublications/railways/)

<sup>2</sup> National Passenger Survey, Autumn 2008, Passenger Focus

<sup>3</sup> National Rail Travel Survey, 29 May 2008, Department for Transport  
[www.dft.gov.uk/pgr/statistics/datatablespublications/railways/](http://www.dft.gov.uk/pgr/statistics/datatablespublications/railways/)

# 1. Executive summary

The key findings from the main quantitative stage have been summarised below:

## Proportion of business trips

- companies use a variety of different transport modes when making business trips: almost all use the car (85%); two thirds use the train (64%) and a quarter use air for business travel
- rail is used more widely by 'large' organisations with 51 or more employees (76%) and by the Civil Service (83%).

## Purpose of business trips

- 63% of companies have staff regularly travelling to client meetings
- 38% have staff travelling regularly between sites within the business and 38% to training courses or conferences
- 22% have staff travelling regularly on sales trips.

## Opinions on rail travel

### *Resistance to using rail\**

- need to carry goods/samples (23%)
- station too far away (23%)
- staff drive into work and so have their cars with them (22%)
- destination not on the rail network (21%).

### *Benefits of travelling by rail\**

- ability to work on the train (37%)
- less stress (33%)
- speed (28%)
- no parking problems (21%).

### *Disadvantages of travelling by rail\**

- unreliable/cancellations/delays (40%)
- too expensive (35%)
- destination is not near a station (26%)
- not door-to-door (22%).

### *Overall satisfaction*

- 74% of businesses using the railways are very or fairly satisfied
- only 6% are dissatisfied citing unreliability of service/delays; cost of ticket; overcrowding; and dirty trains/carriages as the main reasons.

*\*Note: percentages exceed 100% as respondents were able to select more than one option.*

## Perceptions on rail fares and ticketing

### *Understanding ticket options*

- 32% of businesses claim to have a very/fairly good knowledge on how to get the most appropriate ticket for business travel
- however, a fifth of businesses claim that they do not have a good understanding on how to get the best ticket, mainly because they never/rarely use rail.

### *Estimating the cost of a train ticket*

- when asked to estimate the cost of a return journey undertaken regularly, four out of 10 businesses could not correctly estimate the fare
- in over half of cases respondents over-estimated the price of the ticket by more than 15%, with only a quarter getting it right (to within + or -15%).

### *Value for money perceptions*

- a third of all businesses still think rail travel is poor value for money. When asked to suggest the level of reduction which would make them consider rail as good value:
  - four out of 10 businesses would like to see fares reduced between 11% and 30% and
  - a quarter would like reductions between 31% and 50%.

### *First or standard class*

- in three quarters of cases (76%), staff usually travel standard class when using rail
- only a small minority (4%) uses first class and in 15% of cases, travelling by first or standard class depends on seniority
- four in 10 businesses (39%) thought the price difference between first and standard class was too large.

## Business travel policy

- 35% of businesses have a formal travel policy detailing which mode or modes of transport employees use when travelling on business; 22% have informal guidelines; and four out of 10 businesses have no travel policy in place
- 42% of businesses with a travel policy require staff to travel in the most economical way, while 15% stipulate that the car must be used whenever possible. Only 11% tell staff they should use public transport whenever possible
- companies with a travel policy are less likely to be car-oriented (using the car exclusively or making 70% or more trips by car) than companies without a policy (48% vs. 61%).

## Promoting rail

- over half of businesses (52%) would be very or fairly likely to use rail more often if they received free journeys or discounts for bulk travel
- however, six out of 10 businesses could not think of a special offer that would seriously make them consider using rail more
- 61% of businesses would like to hear about any special deals from the train operating companies via email and 17% by post
- one in five businesses was willing to promote rail for commuting in the off-peak by allowing more flexitime for staff. Those with travel policies/guidelines are also slightly more amenable to this idea.

## 2. How the research was carried out

The research was carried out in three stages between November 2007 and September 2008:

**Preliminary qualitative stage** - 30 in-depth telephone interviews were undertaken with transport managers/chief executives to explore the whole area of individual companies' transport needs, their transport policies, what governs them, and their future consideration of using rail. The results from the qualitative stage helped design the questionnaire for the main stage.

**Main quantitative stage** - 500 largely structured CATI<sup>4</sup> interviews using a questionnaire developed with the help of findings from the preliminary stage.

The sample for the main stage ensures larger companies (especially public sector organisations) are particularly well represented. This was to ensure there was a sufficient sample of organisations which had travel policies.

**Table 1**

### Sample design for the main stage

	Qualifying criteria	Achieved
<10 employees	At least one employee travels to destinations over 20 miles away from base at least once a month	91
11-50 employees	At least three employees travel to destinations over 20 miles from base at least once a month	105
51+ employees	At least five employees travel to destinations over 20 miles away from base at least once a month	205 large public sector <sup>5</sup> with 42 from central Civil Service 99 private sector

**Follow-up qualitative stage** - Following the quantitative stage, 15 follow-up telephone depth interviews were conducted; of these 13 were with businesses who had taken part in the main stage and two were arranged with travel agents responsible for organising business travel for their clients. The purpose of these interviews was to explore in more detail some of the findings from the quantitative stage relating to benefits of, and barriers against, rail travel.

The organisations interviewed ranged in size from 10 to 1000 employees. All those interviewed used rail for at least some business travel.

<sup>4</sup> CATI –Computer Assisted Telephone Interviewing.

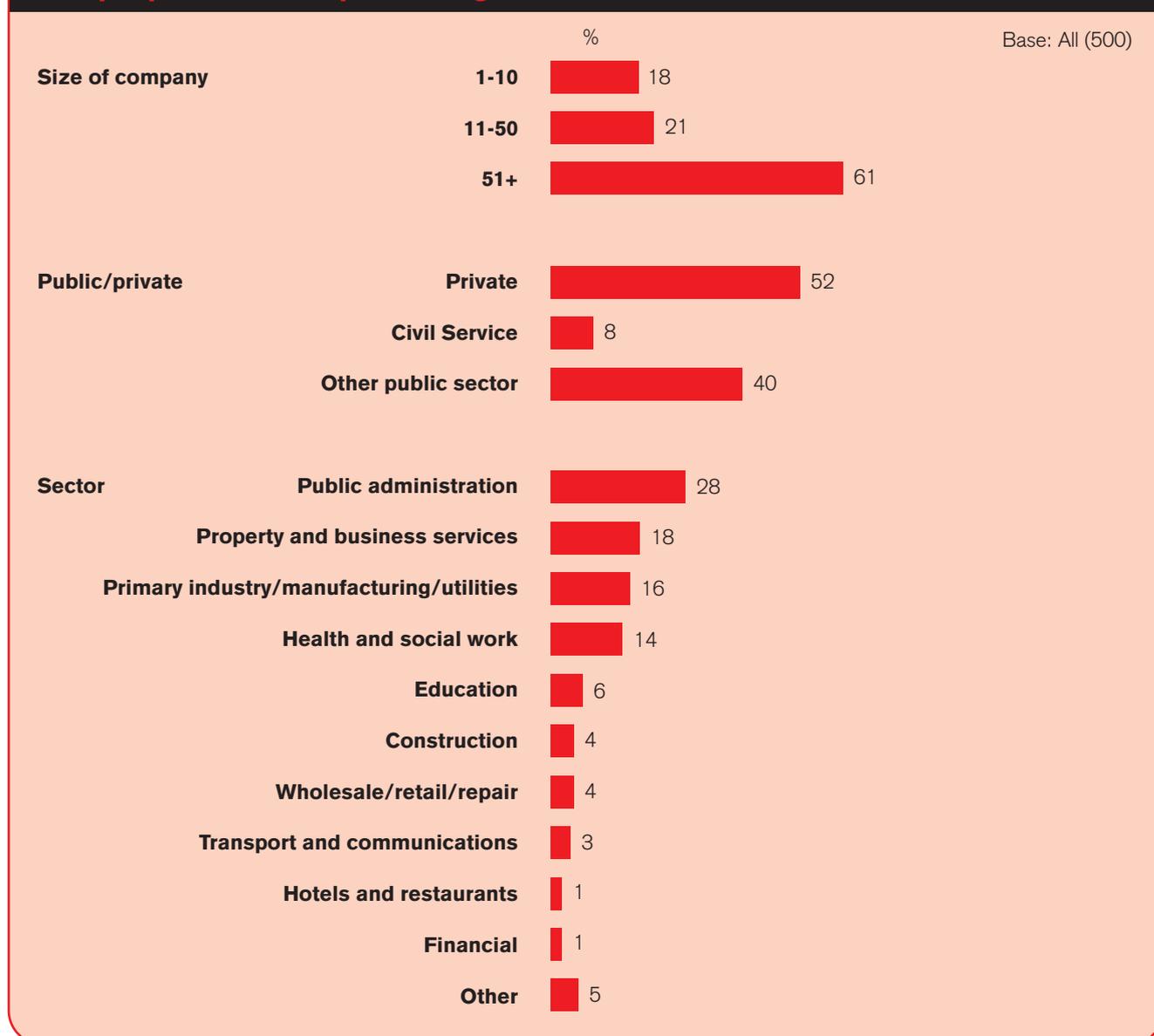
<sup>5</sup> Includes a variety of organisations such as local authorities, health authorities, primary care trusts, hospitals, schools and courts.

### 3. Sample

Within the main stage sample, six out of 10 companies/organisations interviewed have 51 or more full time employees. Half are in the public sector and half are in the private sector.

**Chart 1**

**Sample profile of companies/organisations with a travel need interviewed**





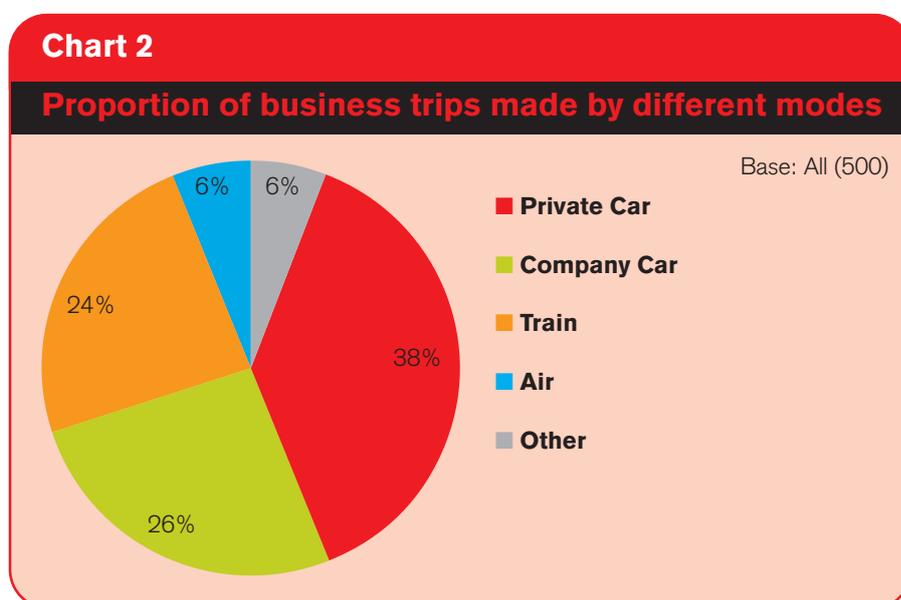
## 4. Key findings

This report contains the results from the main quantitative stage supplemented by findings from the in-depth interviews conducted in both the preliminary and follow-up qualitative stages. The questionnaire from the quantitative stage can be found in Appendix A.

### 4.1 Modes used by businesses

Companies with a travel need use a variety of different transport modes when making business trips. Almost all use the car (85%), two thirds use the train (64%) and a quarter (mainly driven by large private-sector companies) use air for business travel.

Across all those surveyed, the average proportion of business trips made by private car is 38% and by company car 26%. The proportion of trips made by rail is 24%; however, given that the sample is skewed towards larger<sup>6</sup> organisations, the share reduces to 16% when weighted to the national profile.



Within the sample interviewed, 15% of companies are mainly rail users<sup>7</sup> while just over half (53%) are mainly car users<sup>8</sup>. A third (32%) uses a mix of modes, none of which predominates.

Rail is used more widely by 'large' organisations with 51 or more employees (76%) and by the Civil Service (83%). Company cars are used more widely in the private sector (57%) while private cars predominate in the public sector (73%).

<sup>6</sup> Large organisation is defined as containing 51+ employees.

<sup>7</sup> Companies using only rail or in which 70% or more of all business trips are made by rail can be defined as mainly rail users.

<sup>8</sup> Companies using only car or in which 70% or more of all business trips are made by car can be defined as mainly car users.

## 4.2 Factors affecting mode used

The mode used for making business trips depends on three key aspects:

- **type of business trip being made**

The nature of the business trip impacts on the mode used. The research found that nearly two thirds of companies have staff regularly travelling to client meetings (63%). Four in 10 have staff travelling regularly between sites within the business (38%) and to training courses or conferences (38%). Just over one in five have staff travelling regularly on sales trips (22%).

**Chart 3**

### Types of business trips made on a regular basis



*Note: Percentages exceed 100% as respondents were able to select more than one option*

Private-sector companies are more likely to have employees travelling regularly to client meetings (69%) and on sales trips (38%).

Cars are used to a greater extent by companies regularly making sales trips. In fact when businesses were asked why they did not use rail, nearly a quarter (23%) stated it was because they needed to carry goods/samples (see Chart 4).

*“It means that when our sales manager is out on the road, she can go to two or three places in a day..... and still be home on the same day. If she was doing that on the train, I don't think it would be possible.”*

(Medium-sized printers)

- **distance between company and sites/places visited**

Distance was also another factor influencing the likelihood of using rail, with those whose own base and/or destination was not too far from a station being more likely to use the train (77%) than those who were too far from a station (47%).

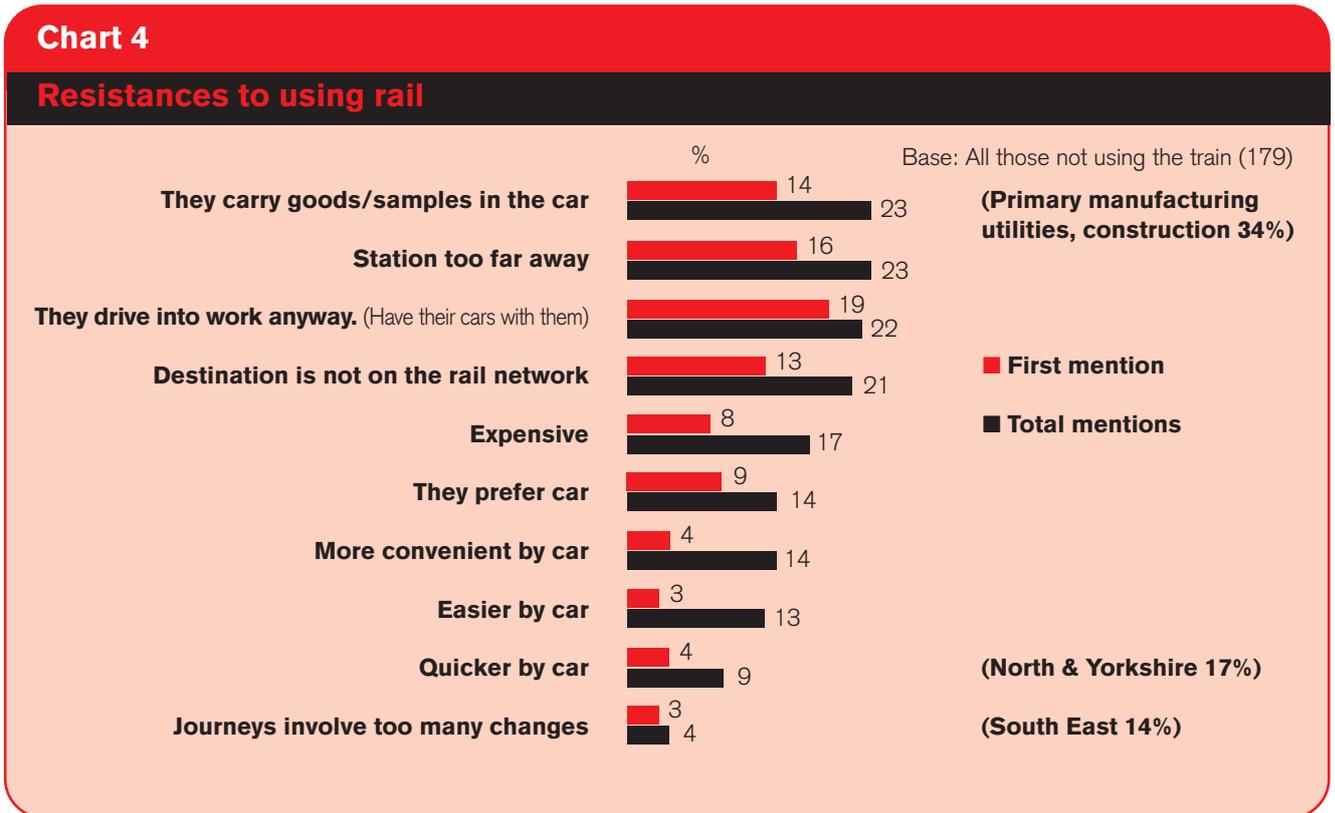
As shown in Chart 4, almost a quarter (23%) cited the station being too far away and a fifth (21%) mentioned the destination not being on the rail network as the reasons why they did not use rail for making business trips (mainly affecting businesses in South West, Wales and Scotland).

*“For multi locations I would always take my car. If it’s one destination I would always take the train.”*

(Large recruitment agency)

- **mode used for commuting**

The mode used to commute to work had a direct impact on the mode used for business trips. Three quarters of companies whose staff all commute by car are mainly car users for business trips. Indeed a fifth (22%) of those not using rail for business say that staff drive into work anyway and so have their cars with them (see Chart 4).



Note: First bar shows the proportions citing each reason first and the total bar shows any mention of that particular reason.

Apart from the above factors, companies also mentioned: cost of travel (17%); employees’ preference for car (14%); and the perception that car travel was more convenient (14%), as reasons why they do not use rail to make business trips.

The physical barriers will always prevent some from using rail and it is unlikely that they will shift from using the car to rail. However, there is a potential opportunity for train companies to promote rail to businesses that have no such barriers and are not mainly car-users.

## 4.3 Opinions on rail travel

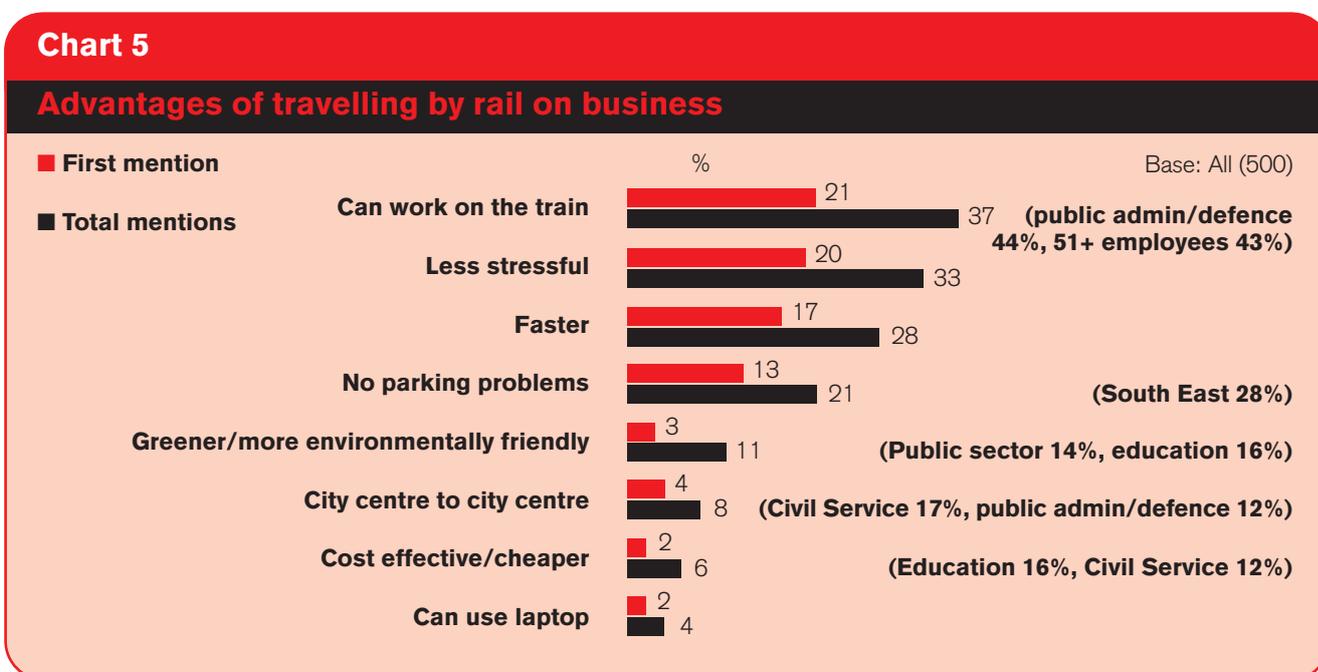
This section looks at the advantages and disadvantages of using rail, as perceived by businesses.

### 4.3.1 Advantages of travelling by rail

As shown in Chart 5, four out of 10 businesses mentioned (37%) the ability to work on the train as a key benefit of travelling by rail, particularly by large organisations with 51 or more employees (43%).

Other advantages mentioned are: less stress (33%); speed (28%); no parking problems (21%); environmentally friendly (11%); city centre to city centre (8%); and cost (6%).

Interestingly, speed was more frequently mentioned by companies where over 50% of trips are made by rail (38%). Just over a quarter of businesses in the South East mention no parking problems as an advantage of rail (28%).



Note: First bar shows the proportions citing each reason first and the total bar shows any mention of that particular reason.

Some advantages mentioned in the qualitative stage about rail:

*“So yes, you can use your laptop. You can get refreshments, you can wander around. There are toilets. So all that whole ‘let the train take the strain’, that’s what swings it for us I think.”*

(Large recruitment agency)

*“(Car travel) takes longer, more traffic, parking. It’s a total stressful event going down to London in a car, especially Central London where we have to go.”*

(Small insurance company)

*“They won’t be as tired when they arrive at their destination because they haven’t had to concentrate on the road. You’re a bit chilled out and a bit more fresh to start your meeting if you haven’t had to drive the car and get in traffic jams and things.”*

(Large manufacturer)

The in-depth interviews revealed that if travel is mainly to/from London or from city centre to city centre then train is the obvious choice in nearly all circumstances. When either the starting point or destination is some way from the station then rail travel becomes more unattractive.

*“Rail is only interested in carrying the masses – not in carrying everyone to their destination.”*

(Manufacturing company)

#### 4.3.2 Disadvantages of travelling by rail

Four out of 10 businesses mention unreliability/cancellations/delays as one of the disadvantages of travelling by rail.

*“Most times you go on the train there is either a delay or a stoppage somewhere.”*

(Manufacturing company)

One Leeds-based participant complained of frequent power failures and delays, and another in Swindon said that there were often problems on the First Great Western service to Paddington.

*“I think it’s very reliable, a lot more reliable than it was maybe 10, 15 years ago when it was a standing joke that it was always late.”*

(Local Government)

One Bristol-based participant commented that while rail travel is generally reliable, when it does let you down that is what sticks in people’s minds. In addition, he commented that when there is a problem there is very rarely a solution offered or enough information given.

Other widely-mentioned disadvantages are cost (35%); destination not near station (26%); not door to door (22%); can't get a seat (12%); inflexibility of tickets (11%); and takes too long (10%).

In the follow-up interviews, overcrowding was also said to be a potential problem with train travel and it was pointed out that the ability to work on the train only exists on main-line services. One commented that he had experienced having to stand from London to Bristol, at a cost of £150, and said that this was no way to keep the business market happy.

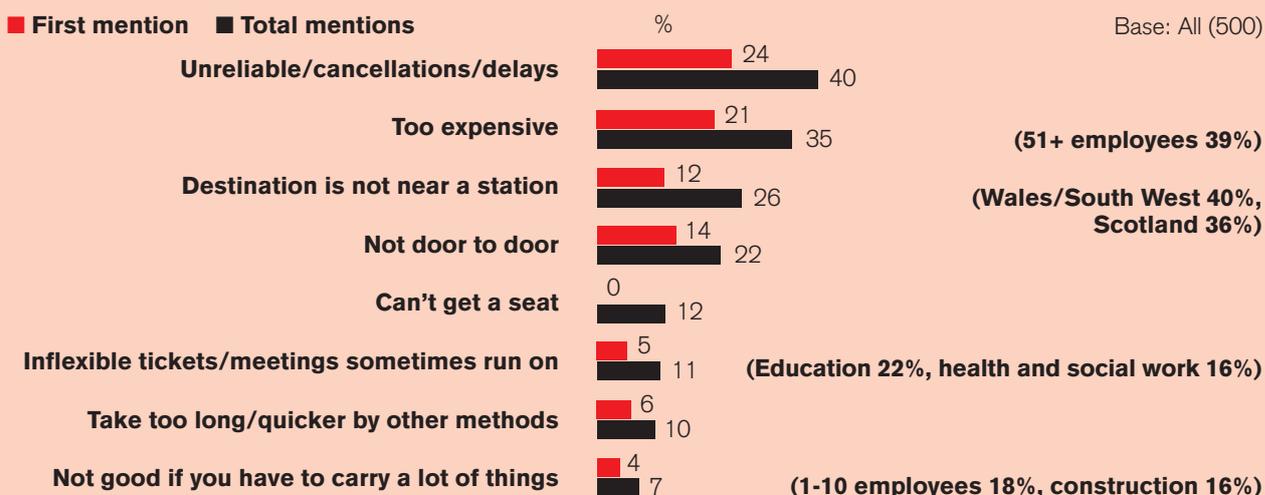
Large organisations (51+ employees) are more likely to mention cost (39%), while companies in Wales, The South West and Scotland see coverage of the network as a disadvantage. One in five of those in education and one in six of those in health and social work mention inflexibility of tickets as a disadvantage.

*“If the rail got more [sic] better press on reliability and trains arriving on time and meeting with connections then and if the journey times were shorter, that would convince us to use rail rather than car.”*

*(Small quantity surveyors)*

**Chart 6**

**Disadvantages of travelling by rail on business**



## 4.4 Perceptions on rail fares and ticketing

### 4.4.1 Planning rail journeys

A third of businesses interviewed, mainly the larger organisations and those in the public sector, use travel agents to book rail tickets.

Although most businesses (62%) buy their train tickets at least three days in advance, one in six buys more than half of its tickets on the day of travel mainly because of short-notice meetings. Small companies (1-10 employees) and those in the private sector are more likely to purchase their tickets on the day of travel.

*“We used to use a travel agent but now we can book things online and it’s so much cheaper. I only use a travel agent now probably once a year for a complicated booking.”*

(Medium-sized trade association)

Eight out of 10 businesses use the internet and also cited this as their ideal channel to plan rail journeys.

### 4.4.2 Understanding ticket options

Nearly a third of businesses (32%) claim to have a very/fairly good knowledge on how to get the most appropriate ticket for business travel and a further 43%, a fair knowledge. This was evident in larger companies.

However, a fifth of businesses claim that they do not have a good understanding on how to get the best ticket for business travel. This rises to over four in 10 for those who do not use rail.

44% of those who stated they had a poor understanding of the best ticket choice said that this was because they never/rarely use rail. One in six stated that the pricing structure was too complex.

*“Well I’m surprised that anybody understands it to be honest. It’s [sic] if you travel at this time it’s this amount and nothing seems to be documented anywhere. There’s nowhere that you can just go and look and see the overall pricing structure.”*

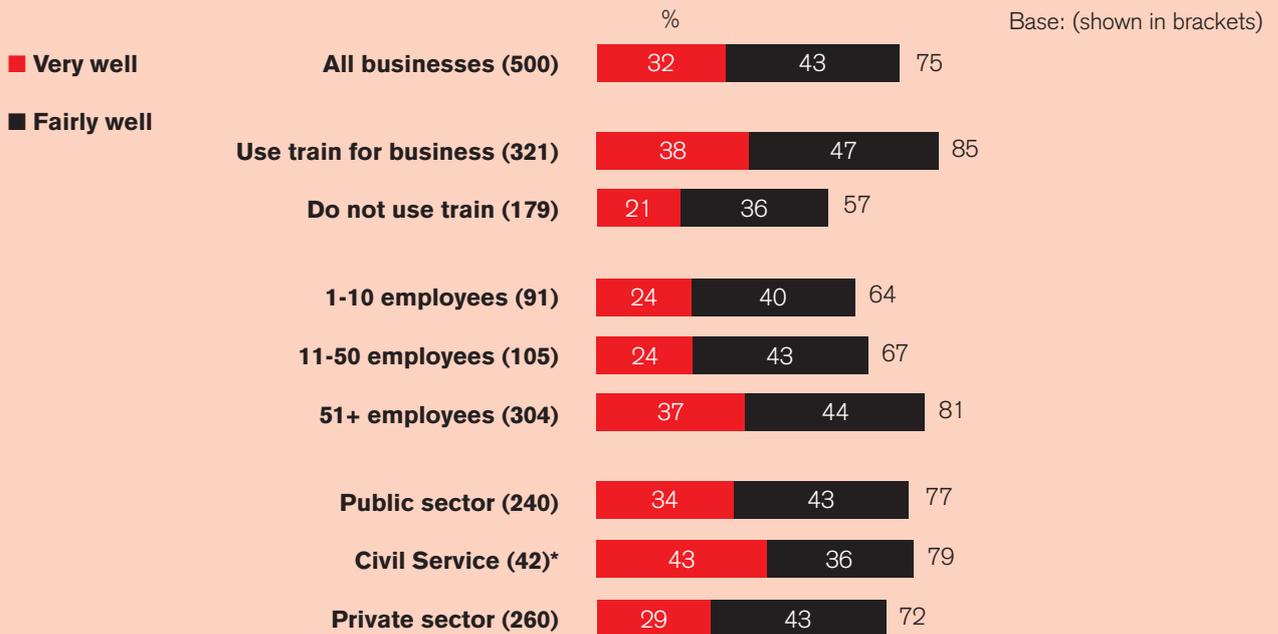
(Small software consultancy)

*“Well I think it’s outrageous and I think there’s too much, far too much of ‘If you book a month in advance you get it at this price and if you book two weeks in advance you get it at that price’ and then all the different options. I don’t know how people in the stations cope.”*

(Medium-sized trade association)

## Chart 7

### Understanding of ticket options



\*Note: The Civil Service figures are shown distinctively as well as part of the "Public sector" totals

Half of all businesses could not give an answer on how train operating companies could make ticket types easier to understand. One in five (18%) suggested a less complex fare structure<sup>9</sup>. Others wanted clearer information about ticket types available on the internet.

*"I'm not bothered about how it's structured as long as you feel you're getting a fair deal."*

(Computer company)

However, in the follow-up depth interview the travel agents interviewed were aware of the recent simplification of the ticketing structure and saw this as a move in the right direction.

<sup>9</sup> Note that the first two phases of this research were undertaken before the full implementation of the fare simplification (May 2008) when the range of ticket names was considerably reduced.

#### 4.4.3 Ticket flexibilities

Several companies highlighted the inflexibility of pricing mechanism which forces companies to schedule meetings later in the day to take advantage of off-peak deals, or causes a problem when meetings over run and tickets are booked for a specific train. The two travel agents interviewed did not consider rail to be good value for money for people who have to travel at peak times, and can rarely book far in advance.

The price for open tickets is also seen as very high and most would like to see greater flexibility, so that they do not always have to book the most expensive ticket in case meetings last longer than anticipated.

*“If you go by car, it’s also giving you the flexibility of sometimes you don’t know how long the meeting is going to last.”*

(Small quantity surveyors)

*“I suppose I would use it if there was a way of having a ticketing mechanism that OK you went out on a named train, which we can do, but you could come back on any train. So sort of semi open ticket.”*

(Large Civil Service)

During the in-depth interviews, we aimed to get reactions to some of the ideas which were put forward during the previous stages. The idea of being able to change a ticket, before the booked train departs, and pay the difference and an administrative fee was introduced. This was not seen as offering a real solution; it would be more popular if it could apply after the train had left. Also, it was pointed out that the difference could turn out to be quite high and some people object to the idea of paying an administrative fee of £10.

#### 4.4.4 Cost of ticket

When asked to estimate the cost of a return journey undertaken regularly during the off-peak, four out of 10 could not estimate the fare. Those in the Civil Service were more able to estimate fares than those in the private sector<sup>10</sup>.

In over half of cases where an estimate was given, respondents over-estimated the price of the ticket by more than 15%, with only a quarter getting it right (to within + or -15%). Larger companies and the public sector (excluding the Civil Service) were more likely to over-estimate fares.

*“I think there’s a perception that rail travel is very expensive for what it is.”*

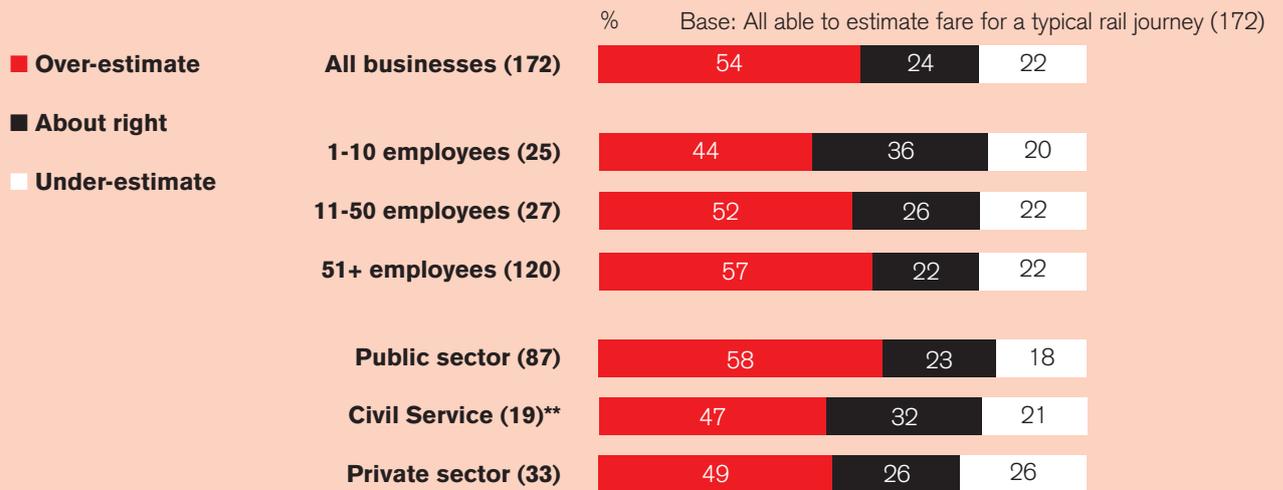
(Large recruitment agency)

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<sup>10</sup> The estimated fare was then compared to the true fare by calling National Rail Enquiries.

## Chart 8

### True awareness of fares



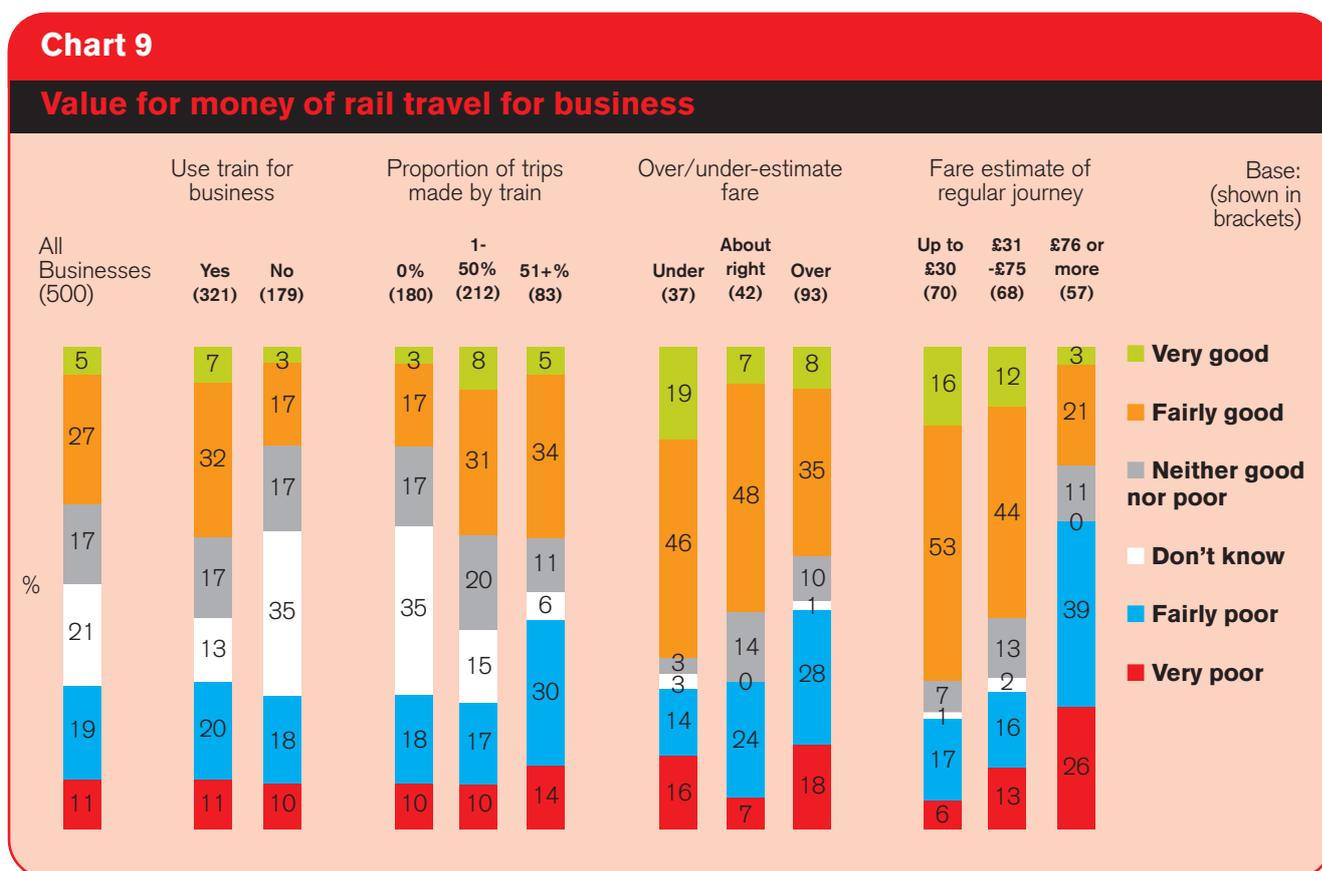
\*\*Note: The Civil Service figures are shown distinctively as well as part of the "Public sector" totals.

#### 4.4.5 Value for money perceptions

A third of all businesses (30%) still think rail travel is poor value for money, especially those who use trains more often (45%<sup>11</sup> rated rail as poor value) compared to those who use them to a lesser degree (27%). Those over-estimating the fares are also more likely to give rail poor value ratings (46%).

We looked at value for money ratings for those who were able to estimate the fare for a typical return journey (section 4.4.4). Those who believed the fare estimate to be under £31 gave a higher value for money rating (69% rated rail good value) compared to those who thought fares were £76 or more (24%)<sup>12</sup>.

Those rating rail poor value were asked how much the fares needs to be reduced to consider rail as good value given the current level of service. Four out of 10 businesses said that they would like to see fares reduced between 11% and 30% and a further quarter would like reductions between 31% and 50%. However, it is worth noting that this group over-estimated the fares by an average of 69%. So better publicity may help improve the perception of fares.



Note: The percentages shown in the chart have been rounded to the nearest per cent

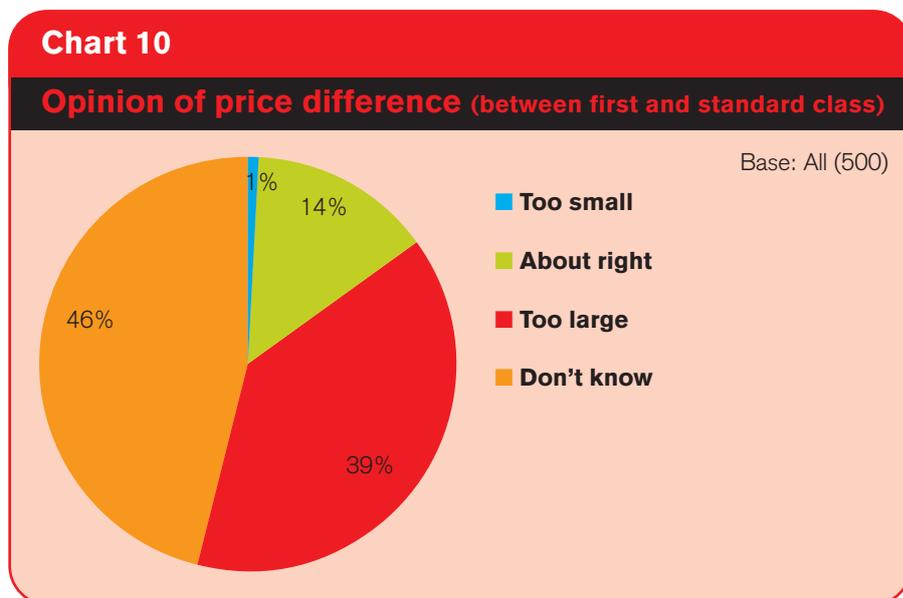
<sup>11</sup> Any difference between the figures shown in the chart and the main text are due to rounding.

<sup>12</sup> These price bands have been selected in such a way as to give reasonable and similar base sizes for the analysis.

#### 4.4.6 First or standard class

In three quarters of cases (76%), staff usually travel standard class when using rail. Only a small minority (4%) uses first class. In 15% of cases, travelling by first or standard class depends on seniority.

When asked to comment on the price difference between first and standard class, almost half (46%) could not give an answer. However four in 10 (39%) thought it was too large and 14% thought it was about right.



In the qualitative stage, several companies suggested reducing the price differential in order to make better use of capacity.

*“One of the ways that they can make train travel cheaper is to allow very, very cheap upgrades.”*

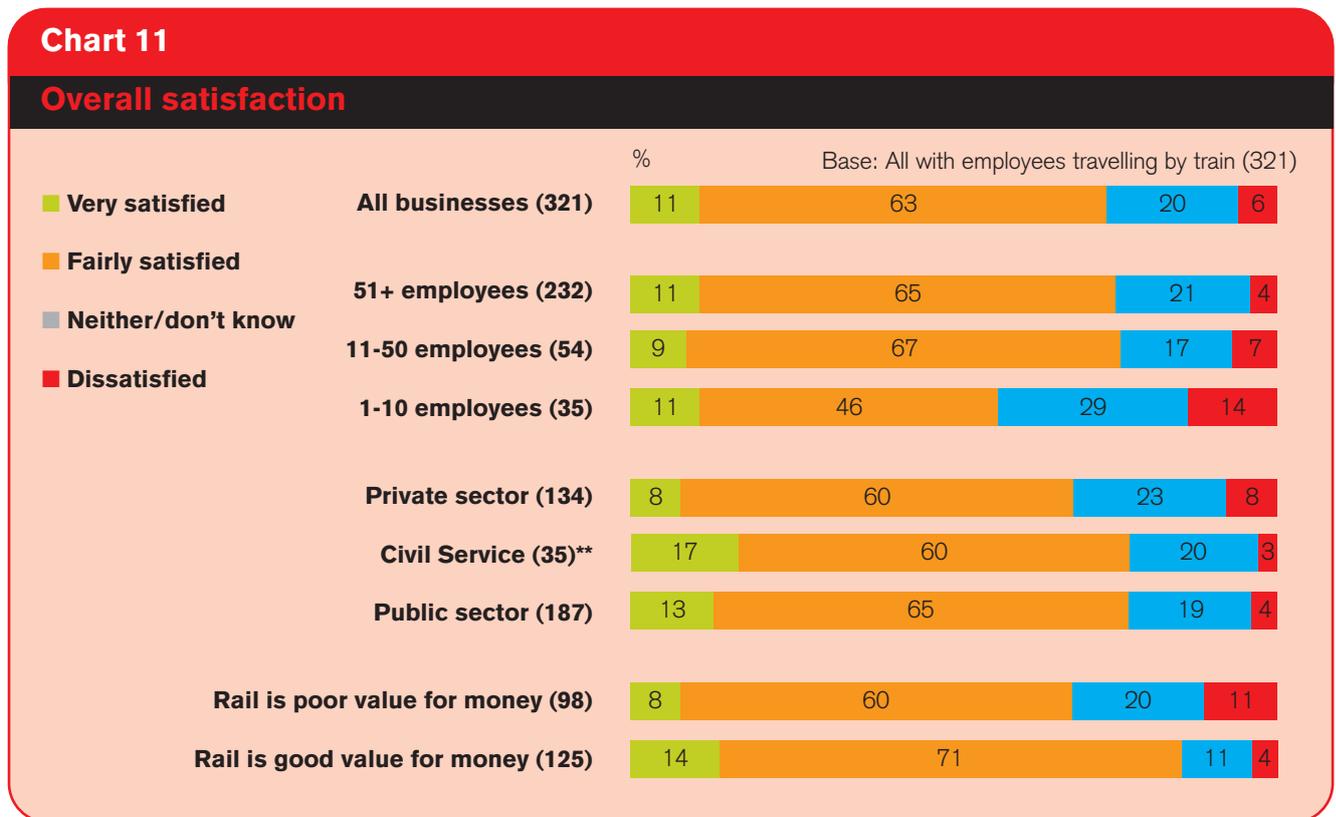
(Small insurance company)

## 4.5 Overall satisfaction with rail

74% of businesses using the railways are very/fairly satisfied. Those satisfied with the railways praise the service generally (32%), its reliability/trains on time (21%) and the absence of problems (20%). Neither region nor proximity to railway stations appears to have an impact on satisfaction with the railways.

Only a small minority are dissatisfied (6%) and the main reasons are unreliability of service/delays; cost of ticket; overcrowding; and dirty trains/carriages (see Chart 12).

Smaller companies employing 1-10 employees are less satisfied than larger companies. Satisfaction is marginally higher in the public sector (mainly in the Civil service) than in the private sector.

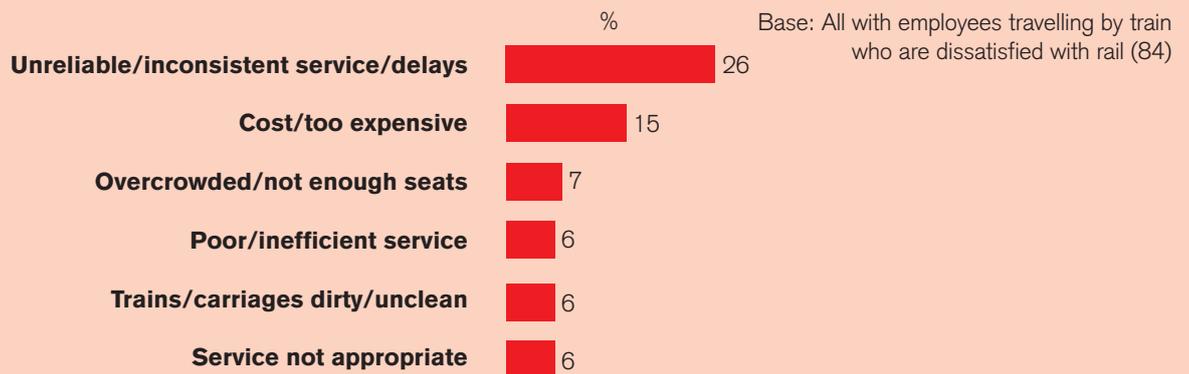


\*\*Note: The Civil service figures are shown distinctively as well as part of the "Public sector" totals.

Overall satisfaction is impacted on by value for money perceptions with those rating rail as good value significantly more likely to be satisfied with rail overall (85% satisfied). Those regularly buying their tickets in advance are more satisfied than those buying tickets on the day which are invariably more expensive.

## Chart 12

### Reasons for dissatisfaction



According to the National Passenger Survey<sup>13</sup>, just over five out of six business passengers were satisfied with their rail journey. Punctuality and reliability was by far the most important driver of overall satisfaction for this group of passengers. However, dissatisfaction was mainly driven by how well the train company dealt with delays followed by punctuality/reliability.

<sup>13</sup> National Passenger Survey, Autumn 2008, Passenger Focus.

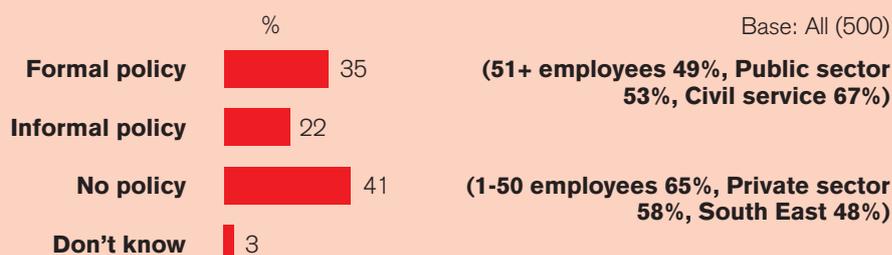
## 4.6 Travel policies and planning journeys

### 4.6.1 Policies in place

Four out of 10 businesses have no travel policy. Just over a third of companies (35%) have a formal travel policy with a further fifth (22%) having informal guidelines detailing which mode or modes of transport employees use when travelling on business. Larger companies (51+ employees) (49%) and those in the public sector (53%), especially the Civil service (67%), are more likely to have a formal travel policy.

Chart 13

#### Travel policies in place



This comment below comes from a representative of an independent public body sponsored by a Government department:

*“Our policy for mode of travel starts from the view of what we’re looking for is the most cost effective journey. So we ask people to think along those lines. It is cost effective but it’s not only the price of the journey, it’s also the time it takes and the overtime that might clock into that. So we ask people to look at it from that point of view. We allow people above certain grades to go first class on the rail and that sort of thing. We have a rule where if you go above I think it’s around about 250 miles in a day then it’s cheaper for us if you have a hire car.”*

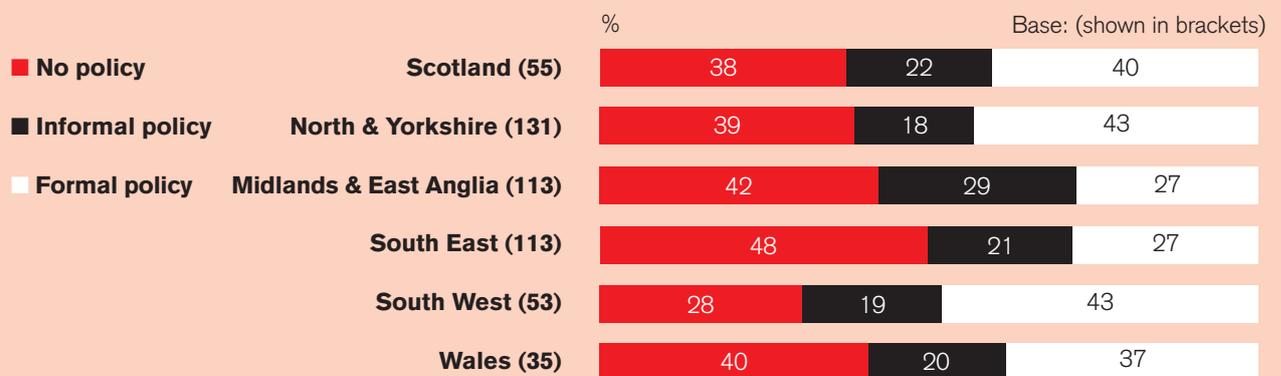
42% of businesses with a travel policy require staff to travel in the most economical way. 15% stipulate that the car must be used whenever possible; this was particularly high in the health and social work sector (31%) and in the South East (26%). Only 11% tell staff they should use public transport whenever possible.

Companies with a travel policy are less likely to be car-oriented (using the car exclusively or making 70% or more trips by car) than companies without a policy (48% vs. 61%).

By region, companies in the North and Yorkshire<sup>14</sup> and the South West are more likely to have a formal travel policy, while those in the South East are more likely to have no policy in place.

**Chart 14**

**Travel policies in place by region**



*Note: The totals do not add up to 100% as some respondents did not know the answer*

<sup>14</sup> North and Yorkshire – covers the North East, North West, Yorkshire and Humber government region.

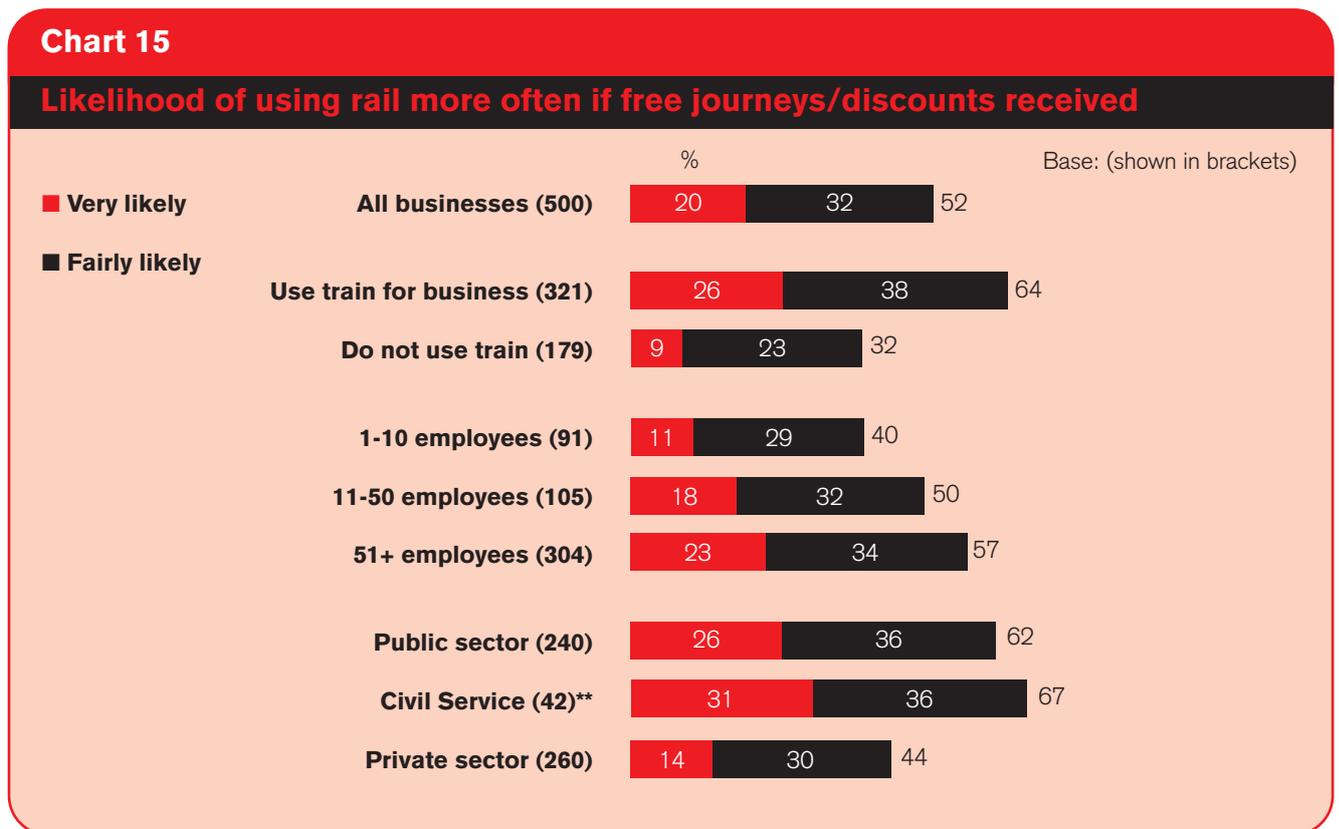
## 4.7 Promoting rail

This section explores several ideas which could encourage greater use of the railways.

### 4.7.1 Free journeys/discounts

Over half of businesses (52%) would be very or fairly likely to use rail more often if they received free journeys or discounts for bulk travel. Even a third (32%) of current non-users say they would be persuaded.

Larger companies and frequent-rail users are more likely to be incentivised by free journeys/bulk discounts.



\*\*Note: The Civil Service figures are shown distinctively as well as part of the "Public sector" totals

However, six out of 10 businesses could not think of a special offer that would seriously make them consider using rail more. Of those who did make a suggestion, 10% suggested cheaper tickets and 7% would like to see volume discounts (buy so many tickets and get one half price or free). Other suggestions made were: flexible tickets which can be used by anyone at anytime over various routes, seasonal discounts, loyalty/discount card etc.

*"So we've got 1300 people in our company, if 10% signed up to a discount card then it could be that we get 5% discount. If 20% signed up, it could be that we get 10% like a volume builder, they call it volume builder discount. That would work." (Recruitment company)*

The most popular ideas, especially among larger companies, were:

- some form of volume discount (buy so many tickets and get one half-price or free) but for such a scheme to be attractive those tickets would have to be available to be used by anyone in the company. It is also important that there is flexibility in when they can be used. If the ticket is only valid for a short time period it would make them less attractive.
- a loyalty / rail miles scheme similar to air miles

*“And I mean in terms of discount, an email alert would be quite good ...whether they’re running discounts because I could go and see a client at the drop of a hat....and if I know there’s a deal on a certain day... then I’ll take advantage of it.”*

(Small software consultancy)

*“I think some sort of corporate or loyalty scheme – the more you travel or the more a company uses rail, the cheaper it gets.”*

(Business communications company)

Some also referred to tickets which used to be available where a company could buy four tickets for a good price – and by doing so book a table. Not only was this good value, but it ensured that colleagues were together and could discuss work issues.

61% would most like to hear about any special deals from the train operating companies via email and 17% by post.

#### 4.7.2 Flexitime and loans for season tickets

A quarter, (23%) of rail users already arrange meetings later in the day to allow staff to take advantage of off-peak travel<sup>15</sup> and a further 9% are likely to do so. Smaller companies are more flexible in this respect than larger companies.

*“Yes we started to look at this actually because we’re spending an awful lot on train fares. So we have actually looked at changing the times of our board meetings etc to allow them to get a later train and therefore being cheaper.”*

(Large manufacturer)

One in five businesses was willing to promote rail for commuting in the off-peak by allowing more flexitime for staff. This rises to a quarter among companies who currently use rail.

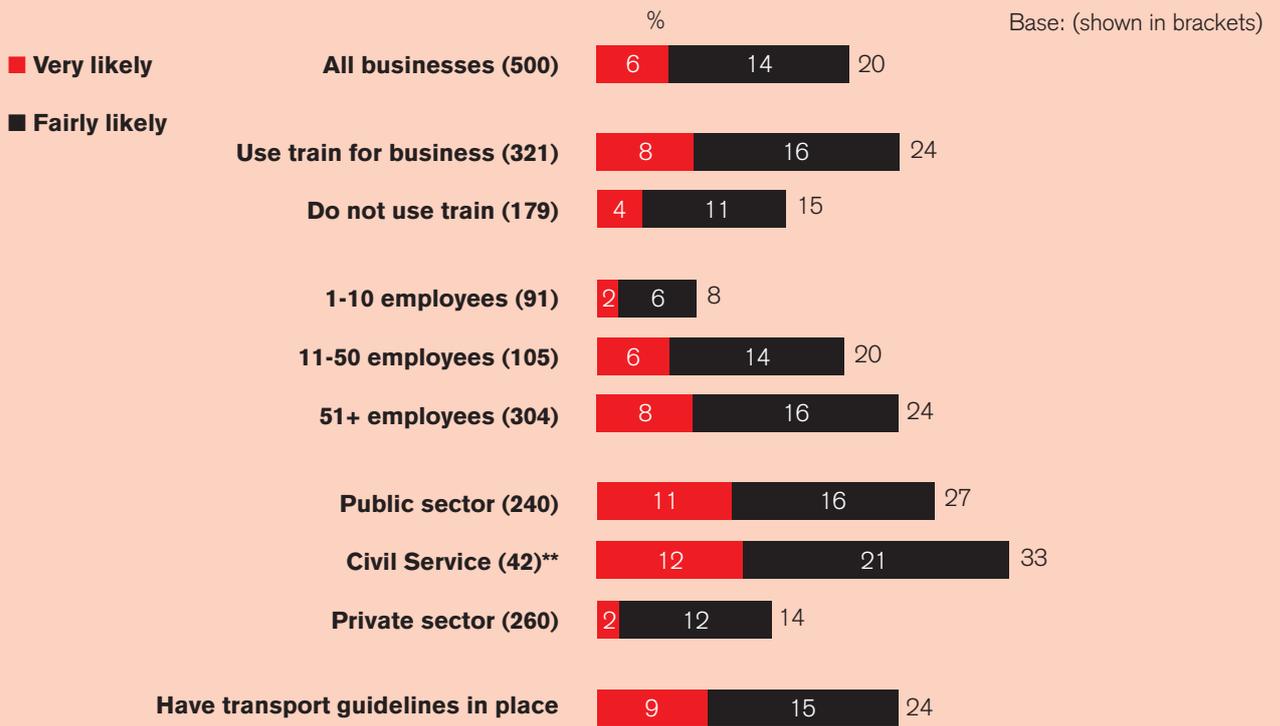
Those with travel policies/guidelines are also slightly more amenable to this idea.

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<sup>15</sup> Peak hour defined as 7am-10am and 4pm-7pm, Monday to Friday. Off-peak is defined as all other times.

## Chart 16

### Likelihood of promoting rail for commuting in the off peak



\*\*Note: The Civil service figures are shown distinctively as well as part of the "Public sector" totals

Currently, 15% of companies offer loans to staff for railway season tickets, most of which are interest-free. Generally, the public sector is more likely to offer loans for railway season tickets than the private sector (23% compared with 7%). Companies with a travel policy are also more likely to offer staff loans (22%).

## Chart 17

### Offer staff loans for railway season tickets



### 4.7.3 Environmental argument

Rail is considered the greenest mode of transport by the vast majority of businesses (82%). Half of those saying rail is the greenest mode would be persuaded to use the railways more in the future because of its environmental credentials. Even a third of current non-users say they would be persuaded by the environmental argument.

However, travel agents do not believe green issues are influencing the travel policy of many companies at the moment. This was evident with only 5% of companies with a formal travel policy/guideline saying that environmental issues influenced their policy.

In the interviews, respondents agreed that it would be good to promote rail as a green mode, but only if it meets business interests which comes first.

### 4.7.4 Business lounges<sup>16</sup> at stations/ business packages

In the in-depth interviews, some of the ideas generated from the earlier phases were explored further. The suggestion of business lounges was not well received and was not seen as the best use of money; people would need a lounge only if the train were delayed as they do not necessarily aim to arrive at a station in plenty of time, unlike an airport.

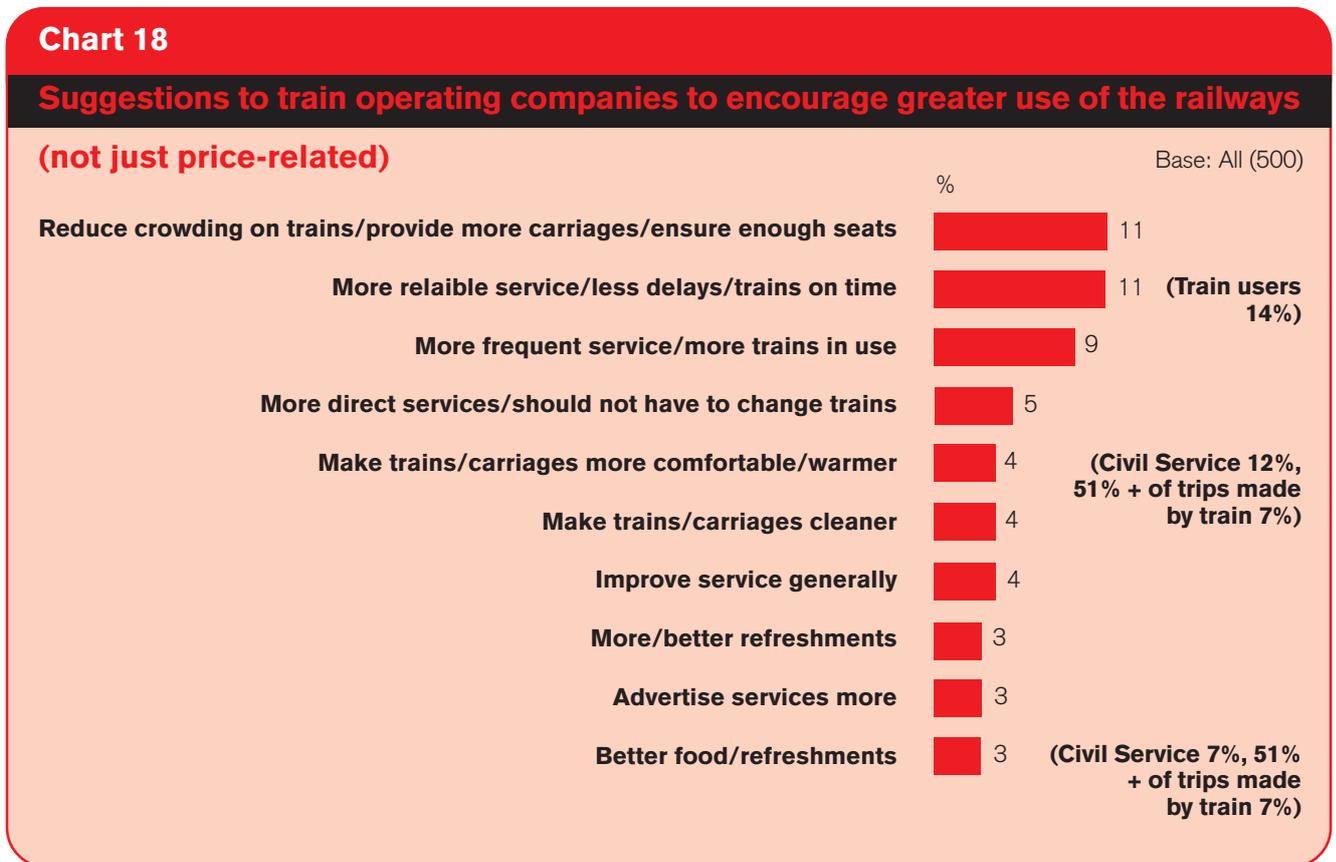
Business packages were also not considered to be particularly motivating and to be of any interest they would have to be very competitively priced and fully flexible.

---

<sup>16</sup> A business lounge is a waiting room with enhanced facilities for holders of most types of first class tickets at selected stations.

## 4.8 Suggestions to encourage greater use of the railways

The most frequently mentioned suggestions from businesses were for more carriages to reduce overcrowding (11%), more reliable service (11%) and more frequent services (9%).



During the qualitative phases, some suggested marketing the benefits of rail (i.e. being able to work / relax on trains, increased reliability, simplification of the fares structure). One or two said that they would still appreciate being able to travel in an environment which was more conducive to work without having to pay a high price for first class – similar to business class on aeroplanes. Another wondered if the concept of quiet coaches could be expanded.

*“I think it’s fantastic if you can’t afford to have first class travel to have a quiet coach and I think these quiet coaches should be advertised a wee bit more, a bit better.....I think if people are using it for business purposes they do want a certain standard of quietness so that they can work, but that also means they can’t use their mobile phones as well.”*

(Local government)

Other comments received:

*“As far as marketing is concerned, I would suggest that it’s effective communication, having a dialogue with regular travellers, not bombarding them but maybe a personalised email once a month, something that doesn’t take up too much space on your laptop, maybe a pdf or something, maybe a few promotional offers that are coming out. But in effect, creating that sort of feeling, this is a company that’s interested in my business.”*

(Large airline)

*“I’m talking about making it more accessible in terms of pricing, in terms of awareness and sort of say make it bold and sort of direct and say ‘Well, look, it’ll take you this long from here to here’. Open people’s eyes to commuting to London and to the big cities via train.”*

(Small insurance company)

Finally, the majority would like to receive messages online, either via email or through websites.

## 5. Conclusion

This report provides valuable information on the strengths and weaknesses of rail as a means of business travel.

Perceived strengths	Perceived weakness
Ability to work on the train	Physical barrier: not 'universal' coverage, not suitable if you are carrying goods
Less stressful	Reliability
Can be quicker	Cost
No parking problems	Overcrowding
Environmental benefits	Inflexible tickets
City centre to city centre	Takes too long

Clearly rail is never going to be a realistic mode for some journeys - people who do not live/work near a rail station, those whose destination is not on the network or those who need to carry bulky products are unlikely to use rail. Equally, several of the issues highlighted within the research are relevant to the wider rail sector and not just business travel - value for money, reliability/punctuality and capacity concern all rail passengers and are not specific to business travel.

However, the research does identify four key areas that could help to make rail more attractive for business travel.

### i. Value of travel time

The ability to work on the train is seen as one of the key benefits of travelling by rail. However, to promote this concept widely, the industry needs to provide the facilities and services that enable passengers to work. Increasingly this means providing facilities such as:

- physical space on the train to work
- provision of Wi-Fi
- provision of sufficient power sockets
- good mobile phone coverage.

The research indicates that the provision of such facilities on the train itself is seen as more important than at the station - things like business lounges at stations were not seen as adding as much value as the ability to work on the train.

This has implications for the design of rolling stock - especially the next generation of longer-distance trains being provided under Department for Transport's Intercity Express Programme. While there is a balance to be struck between the potentially conflicting needs of different passengers, it is important that the needs of business passengers are factored into the debate.

## ii. Cost

With only 46% of passengers satisfied with value for money according to the National Passenger Survey<sup>17</sup>, cost is clearly an area of concern for all passengers and not just those travelling on business. The research does, though, identify some issues and concerns specific to business users.

### - *perception of cost*

The research asked 'decision-makers' (i.e. those who made decisions about mode of travel or who set travel policy) to estimate the cost of a typical journey. Half of those who did so overestimated it by more than 15%. Significantly, almost half (46%) of the same group rated rail as poor value for money.

### - *lack of incentives*

Over half (52%) of businesses were open to the idea of incentives being used to encourage greater use of rail - e.g. in the form of free journeys or discounts for bulk travel.

### - *perception of first-class travel*

The research found that the majority of business passengers (76%) travelled standard class rather than first class, contrary to the popular belief that cost is not an issue for employees travelling 'on expenses'. Indeed, in some of the follow up interviews, first class fares were described by some as extortionate.

All this has implications for the industry in the way it targets its marketing to existing and potential business passengers.

## iii. Flexible ticketing

For many business passengers the lack of an affordable, flexible ticket was seen as one the biggest barriers to using rail. Many businesses cannot take advantage of the cheaper advance-purchase tickets because meetings are either called at short notice or they over-run on the day. As a result most resort to buying tickets on the day or pay for fully flexible tickets which are considerably more expensive. There was a clear desire for greater flexibility so that they do not always have to resort to the most expensive option.

## iv. Travel policies

The research shows that four in 10 businesses did not have any policy in place for business travel. A further fifth only had informal guidelines. It appears, however, that companies which do have travel policies are less likely to be car-oriented than those companies without a policy. In other words, the act of preparing / producing a travel policy can be an effective way of changing attitudes to travel.

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<sup>17</sup> National Passenger Survey, Autumn 2008, Passenger Focus. The results can be found at [www.passengerfocus.org.uk/nps](http://www.passengerfocus.org.uk/nps)

Passenger Focus will use the findings from the research to inform its discussions with Government, industry and stakeholders, the aim being to improve the provision of services to business passengers.

## 6. Contact us

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# APPENDIX A – Quantitative questionnaire

## INTRODUCTION

Good morning/afternoon. My name is ..... from FDS International. We are conducting a study on behalf of Passenger Focus the consumer watchdog for rail passengers. They have asked FDS to speak to a number of companies to explore the travel needs of businesses. We would like to speak to the person there who decides how employees travel when on the company's business. This is a opportunity for businesses to have their say about what they need from the railways.

Q1. Firstly, may I check whether any of your employees ever need to make business journeys here in the UK?

Yes 1 GET TRANSFERRED TO DECISION MAKER  
AT DECISION MAKER REPEAT INTRODUCTION

No 2 INTRO 2

## INTRO 2

In that case we don't need to do the survey with you but in order to build up a picture of the companies which do have a travel need and those which do not, may I just ask...

Q2. How many full time employees work for your company.

Up to 10	1
11-50	2
51-100	3
101-200	4
201-300	5
300+	6
REF	CLOSE

## CHECK COMPANY SIZE QUOTA

Q3. What is the nature of your company's/ organisation's business **TYPE IN AND CODE BELOW**

---

---

REF ..... CLOSE

## CODE BROAD INDUSTRY SECTOR BELOW

Public sector (Civil Service) 1

Public sector (other)	2
Retail and consumer	3
Services	4
Agriculture and materials	5
Transport and construction	6
Manufacturing	7
Other	8

Q4. How many of your employees would you say regularly travel at least 20 miles each way on business trips. By regularly I mean at least once a month. Please do not include employees commuting to and from work.

ENTER NUMBER OF EMPLOYEES

<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------

Don't Know..... CLOSE  
 REF ..... CLOSE

CHECK Q4 AND Q2

ONLY CONTINUE IF:- AT LEAST ONE EMPLOYEE AT Q4 WHEN UP TO 10 AT Q2 OR AT LEAST THREE EMPLOYEES AT Q4 WHEN 11-50 AT Q2 OR AT LEAST FIVE EMPLOYEES AT Q4 WHEN 51 OR MORE AT Q2. OTHERWISE CLOSE

Q5a. And typically what modes of transport do they use when making business trips?

Train	1
Own car	2
Company car	3
Air	4
Bus/Coach	5
Other (SPECIFY)	6
Don't Know	

IF MORE THAN ONE ANSWER AT Q5A ....  
 FOR EACH MENTIONED AT Q5a, ASK Q5b

Q5b. What proportion of all business trips (again please do not count commutes to and from work) would you say are made by ..... MODE FROM Q5a  
 REPEAT FOR OTHER MODES MENTIONED AT Q5A

<input type="text"/>	<input type="text"/>
----------------------	----------------------

Don't Know

Q6a. What sort of business trips are your staff making on a regular basis?

Sales	1
Client meetings	2
Travel to other sites within the business	3
Training courses / conferences	4
Other (Write in)	

Don't Know

Q6b. What sort of other trips are the making on a more ad hoc basis

Sales	1
Client meetings	2
Travel to other sites within the business	3
Training courses / conferences	4
Other (Write in)	

Don't Know

Q7. Do business trips typically entail one member of staff going somewhere alone or do they entail two or maybe teams of three, four or five employees travelling to a meeting or does it vary?

1	1
2	2
3	3
4	4
5	5
6+	6
Varies	7

Don't Know

Q8. If two or more are going on the same trip, do they travel together...READ OUT

Always	1
Most of the time	2
Half the time	3
Some of the time	4
Never	5
It varies	6

Don't Know

Q9. I would like to ask you about any travel guidelines your company may have regarding which mode or modes of transport employees use when travelling on business? Does your company have a formal policy, informal guidelines which form part of the culture of the organisation or no guidelines regarding business travel

- Formal written policy 1
- Informal guidelines 2
- No policy 3
- Don't Know

IF CODES 1 OR 2

Q10. IF CODE 1 What is the policy? Could you explain it to me please?  
IF CODE 2 What are the guidelines, could you explain them to me?

Don't Know  
REF

Q11. What proportion of your staff who travel on business have access to a car – either their own or a company car? READ OUT

- All of them 1
- Most of them 2
- About half of them 3
- Some of them 4
- None of them 5
- Don't Know

Q12. What proportion of your staff commute to and from work by car every day?  
READ OUT

- All of them 1
- Most of them 2
- About half of them 3
- Some of them 4
- None of them 5
- Don't Know

Q13. And what proportion commute to and from work by train every day? READ OUT

- All of them 1
- Most of them 2
- About half of them 3
- Some of them 4
- None of them 5
- Don't Know

REFER BACK TO Q5A. IF NOT TRAIN

Q14. You did not mention rail when I asked you what modes of transport your staff usually use when travelling on business. Why is this? DO NOT READ OUT. PROBE FULLY Are there any other reasons?

CAPTURE FIRST ANSWER, THEN OTHER MENTIONS

They drive into work anyway/ have their cars with them	1
They carry goods/samples/ materials in their car	2
Quicker	3
Easier	4
Less hassle	5
They prefer to travel by car	6
Cheaper/ train expensive	7
Train too crowded/ can't get a seat	8
The station is too far anyway	9
Rail journeys involve too many changes	10
Can visit more clients in one day by car	11
Where they are going is not on the rail network	12
Other (WRITE IN)	
Don't know	
None	

Q15. What do you see/would you see (IF DON'T USE RAIL AT Q5A) as the main advantages of travelling by rail on business? DO NOT READ OUT. PROBE FULLY Are there any other advantages?

CAPTURE FIRST ANSWER, THEN OTHER MENTIONS

Can work on the train	1
Less stressful	2
Faster	3
City centre to city centre	4
No parking problems	5
Can eat and drink on the train	6
Can make phone calls on the train	7
Greener/more environmentally friendly	8
Can use laptop/ WIFI available	9
Other (WRITE IN)	
Don't know	
None	

Q16. And what are the main disadvantages of travelling by rail on business? DO NOT READ OUT. PROBE FULLY Are there any other disadvantages?

CAPTURE FIRST ANSWER, THEN OTHER MENTIONS

The cost/too expensive	1
Not door to door	2
Not good if you have to carry a lot of things	3
Inflexible tickets/meetings sometimes run on	4
Have to book in advance	5
Unreliable/cancellations/delays	6
Congested/can't get a seat	7
Too noisy	8
Not private/ have to share space with others	9
Takes too long/ quicker by other modes	10
Trains don't serve everywhere/ where we need to go is not near a station	11
Other (WRITE IN)	
Don't know	
None	

REFER BACK TO Q5A – IF USE TRAIN, ASK Q17, IF NOT SKIP TO Q18

Q17. Who normally buys the train tickets for employees' business travel? Is it up to those making trips or is it someone's responsibility within the company to book train tickets?

Up to those making the trips	1
Someone's responsibility within the company	2
Depends on the circumstances/ varies/both	3
Don't know	

Q17b Does your company use a travel agent to book rail tickets?

Yes	1
No	2
Don't know	

**ASK ALL**

Q18. IF USE TRAIN AT Q5A ....How well would you say those who buy tickets for business travel understand how to get the most appropriate ticket for their journeys?

IF DON'T USE TRAIN AT Q5A ....How well would you say you know how to get the most appropriate ticket for business travel by rail?

READ OUT

Very well	1
Fairly well	2
Not very well	3
Not at all well	4
Don't know	

IF NOT WELL

Q19. Why is that do you think?

Don't Know

REFER BACK TO Q5A – IF USE TRAIN, ASK Q20-Q22B, IF NOT SKIP TO Q23

Q20. How important is it for those who buy tickets to be able to understand the fare structure and work out how to get the most appropriate tickets for their journeys?

Very important	1
Fairly important	2
Not very important	3
Not at all important	4
Don't know	

Q21. What proportion of tickets for business trips are bought more than two weeks in advance of travel, what proportion are bought between 3 days and two weeks before travel, what proportion a few days before and what proportion on the day? Don't worry if you can't give me the exact figures, just a rough estimate will do !

ENTER PERCENTAGES

Bought more than 2 weeks in advance	<input type="checkbox"/>
Bought between 3 days and 2 weeks in advance	<input type="checkbox"/>
Bought a few days in advance	<input type="checkbox"/>
Bought on the day	<input type="checkbox"/>
Don't know	

Q22a. Why is this? When would they buy a ticket in advance and when on the day of travel?  
PROBE FULLY

Don't Know

Q22b. What sort of trips need tickets bought in advance?

Don't Know

**ASK ALL**

Q23. What could the train operating companies do to make business travel tariffs easier to understand? PROBE FULLY

Don't Know

REFER BACK TO Q5A – IF USE TRAIN, ASK Q24, IF NOT SKIP TO Q25

Q24. Do staff normally travel first or standard class on business?

- First class 1
- Standard class 2
- Depends on seniority 3
- Depends on circumstance 4
- Don't know

Q25. Which one rail journey would you say you or your staff make most regularly? IF Q5A NOT TRAIN SUBSTITUTE LAST THREE WORDS WITH .... could make most regularly if they did chose to travel by train?

WRITE IN ORIGIN \_\_\_\_\_

WRITE IN DESTINATION \_\_\_\_\_

There is not one most regular journey .....8 SKIP TO Q27

They would never go by train .....9 SKIP TO Q27

Q26. How much is a [FROM Q24 – IF 'DEPENDS', SAY FIRST; IF DON'T USE RAIL AT Q5A, SAY STANDARD] class return ticket for that journey during the off peak?

£    .

Don't know

Q27. IF CODES 8 OR 9 AT Q25 OR DK AT Q26... Would you say rail travel for businesses was  
 .... READ OUT  
 OTHERS Would you say that was... READ OUT

- Very good value for money 1
- Fairly good value for money 2
- Neither good nor poor value for money 3
- Fairly poor value for money 4
- Very poor value for money 5
- Don't Know 6

IF POOR VALUE FOR MONEY OR THE COST/TOO EXPENSIVE AT Q16.

Q28. In your opinion, how much cheaper should it be for you to consider it good value for money given the current level of service? READ OUT

- Up to 10% cheaper 1
- 11-20% cheaper 2
- 21-30% cheaper 3
- 31-40% cheaper 4
- 41-50% cheaper 5
- More than 50% cheaper 6
- Don't know 7

Q29. IF.

Apart from reducing the fares, <---- HAVE THIS IF POOR VALUE FOR MONEY OR THE COST/TOO EXPENSIVE AT Q16

what could the train operating companies do to persuade your company to use rail? (IF ALREADY USE....more often). PROBE FULLY Is there anything else they could do?  
 IF USE RAIL AT Q5A, ASK Q30A AND Q30B, OTHERS SKIP TO Q31

Q30a. How are rail journeys planned? Is the internet used? Do you/they phone for travel information? Do you/they have pocket leaflets or timetables? Do you/ they obtain information from the station?

- Internet 1
- Phone 2
- Pocket leaflets/ timetables 3
- Staff/ timetables at station 4
- Other (Specify) 4
- Don't Know

Q30b. Ideally how would you like to be able to plan rail journeys?

Internet	1
Phone	2
Pocket leaflets/ timetables	3
Staff/ timetables at station	4
Other (Specify)	4
Don't Know	

**ASK ALL**

Q31. Do you think the price difference between first and standard class is READ OUT

Too small	1
About right	2
Too large	3
Don't know	

Q34. Which is generally the greenest mode of travel? READ OUT

Rail	1
Road	2
Air	3
Don't know	

IF RAIL AT Q34

Q35. Would this make you/your colleagues use the railways more in future?

Yes	1
No	2
Don't Know	

Q37 Trains are less crowded in the off peak. How likely would your company be to promote rail for commuting to and from work in off peak hours. This would naturally mean allowing them more flexi time READ OUT

Very likely	1
Fairly likely	2
Not very likely	3
Not at all likely	4
Not applicable	
Don't know	

Q38 Does your company give staff loans for railway season tickets?

Yes
No

IF YES

Q38 Are these interest free?

Yes

No

NON RAIL USERS (Q5A), SKIP TO Q40

Q38 Does your company arrange meetings later in the day so that staff can take advantage of off peak travel to get to them?

Yes 1

No 2

Not applicable

Don't know

IF NO OR DK

Q39 How likely would you be to encourage staff to schedule meetings later in the day so that they could take advantage of off peak rail travel?

Very likely 1

Fairly likely 2

Not very likely 3

Not at all likely 4

Not applicable

Don't know

ASK ALL

Q40 If you received free journeys or discounts for bulk travel, how likely would you be to use rail more often?

Very likely 1

Fairly likely 2

Not very likely 3

Not at all likely 4

Not applicable

Don't know

Q41. What bulk reduction would seriously make you consider using rail more? PROBE FULLY. Could you describe a bulk discount scheme that would work for you?

Q42. What other things, not just price related could the train operating companies do to encourage businesses to use the railways more? PROBE FULLY

Q43. How would you most like to find out about special deals from the train operating companies?

- By direct mail 1
- By email 2
- By phone 3
- By face-to-face rep visit 4
- Don't know
- None of these 5

NON RAIL USERS (Q5A), SKIP TO Q45

Q44. Finally, how satisfied are you as a business user of the railways? READ OUT

- Very satisfied 1
- Fairly satisfied 2
- Neither satisfied nor dissatisfied 3
- Fairly dissatisfied 4
- Very dissatisfied 5
- Don't know

Q45. That was all, thank you very much for your time. May I ask what your job title is please?

Q46. And your name?

Q47. Would you mind if we released your answers to Passenger Focus with your name attached or would you rather remain anonymous?

- Fine, OK 1
- No, would rather remain anonymous 2

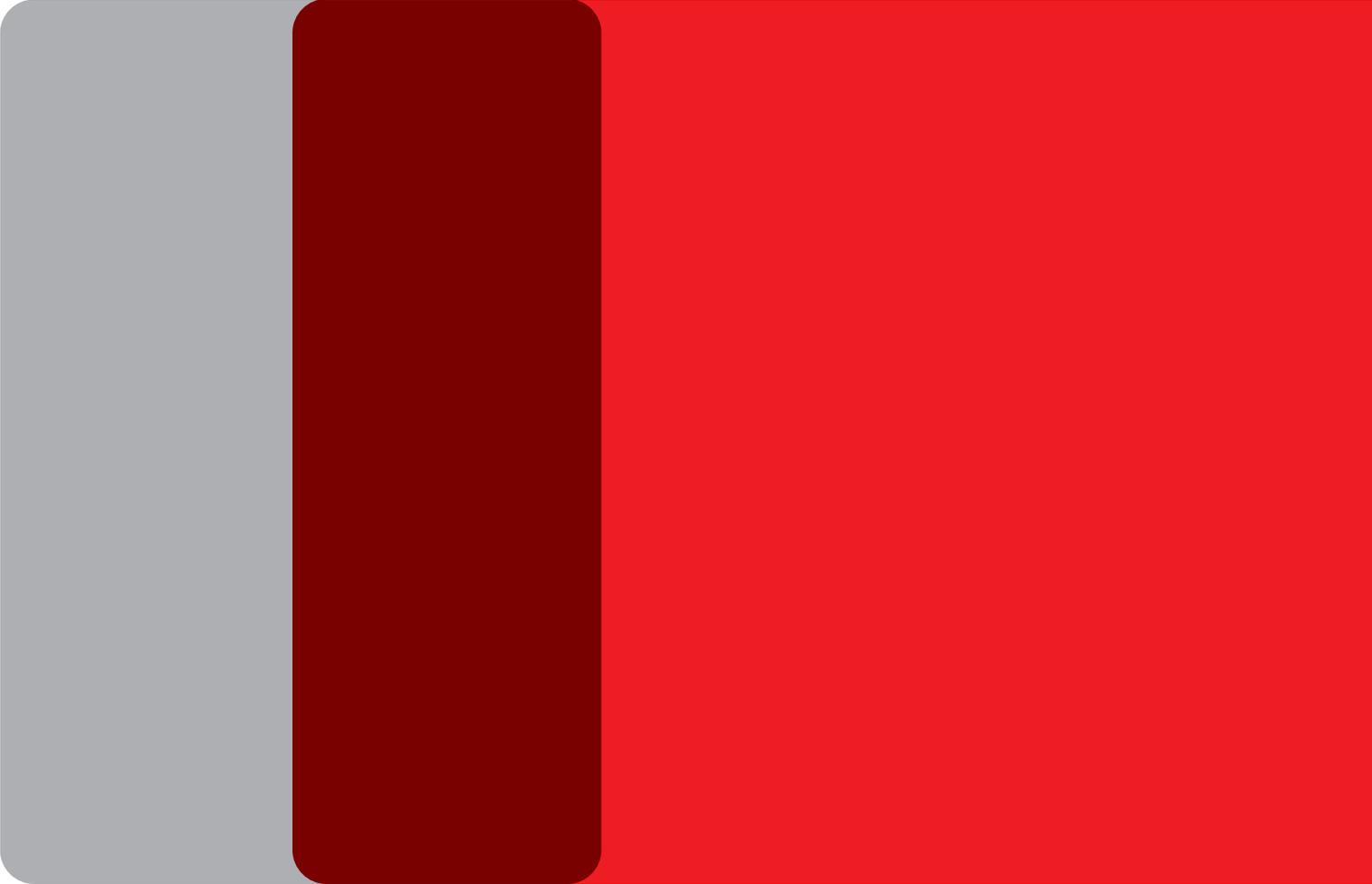
Q48. Passenger Focus may wish to conduct follow up research at some time in the future. Would you be happy to be contacted again at some time in the future?

- Yes 1

A large, vertically oriented rectangular area with rounded corners, containing 20 horizontal lines for writing. The lines are evenly spaced and extend across the width of the page.

A large rectangular area with rounded corners, containing 25 horizontal lines for writing.

A large, vertically oriented rectangular area with rounded corners, containing 25 horizontal lines for writing. The lines are evenly spaced and extend across the width of the page.



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