



Expense Management Index

Third Edition

The Shift Of Expense Management Towards Green Mobility

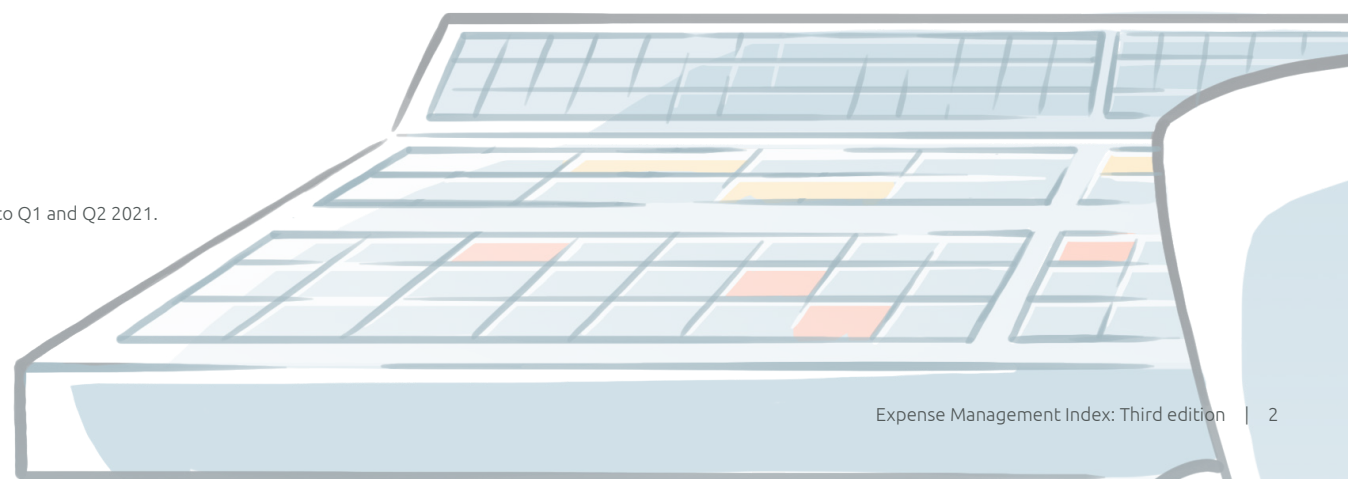
Exactly one year ago, Jenji launched the first Expense Management Index that revealed the pre and middle-Covid figures and evolutions.

Today, Jenji is launching the third Index, where the topic of green mobility in today 's companies' agenda - particularly in the post-Covid era, has a very particular weight.

Encouraged by governments, sustainable development and carbon reduction strategies have skyrocketed to the top of the leaders'. As awareness of environmental and sustainability issues grows, many organizations are looking to take a more active role in managing their carbon footprint. This has a direct influence on expense management behavior. Therefore, in this edition, we are going to discover how exactly it changes employee's spending behavior and why companies should take advantage of this green shift.

Enjoy your reading!

Global analysis, based on Jenji Database only. Figures from Q1 and Q2 2022 compared to Q1 and Q2 2021. Focus on the enterprise segment only.



PART I

Data Usage in Expense Management

Rise of the Data-Driven Enterprises

In today's society, continuous growth is another reminder of how ubiquitous and crucial technology has become. Over the next few years, traditional tech spending will be driven mainly by big data and analytics, mobile and cloud computing.

Since the first semester of 2021, we noticed one key stationary trend: a high evolution of collaborators that are using a digital expense management solution. Indeed, for the first semester of 2022, we see a direct **increase by +101%** compared to the previous period in 2021.

The number of created expenses achieved the same amount **as the first semester of 2021 already at the end of the first quarter of 2022**; only three months. Obviously, more and more companies are switching to digitized solutions. These companies' decisions can also be driven by regulations and laws. The French government has, for example, signed a regulation **of dematerialization** that is going to **take place in 2024**. Companies see it as a turning point to use electronic invoicing and reduce manual work processes. Thus, this specific change encourages them to take **a step to a more data-driven and green mobility approach**.

GOOD TO KNOW



By 2025, we will be producing data at a rate of 463 exabytes per day. To put that into perspective: in 2009, the world's entire digital storage capacity was "just" 487 exabytes. By tomorrow's standards, we'd fill that volume in under two days.

Evolution of users

+ 101%

in first semester 2022 compared to the previous period in 2021

Evolution of expenses created

+ 50%

in first semester 2022 compared to the previous period in 2021

PART II

The Comeback of Corporate Travel

A Closer look at Corporate Travel Recovery

When Jenji fielded its first Expense Management Index in June 2021, **80% of companies** had not booked flights for more than one and a half years since the pandemic period started.

But today, the desire to travel is evident in both sentiment and actions: as vaccination rates have increased (79.70% of the population in France) and regulations to enter countries changed, corporate travel is finally coming back to a “more normal” rhythm.

As of today, the number of flight expenses increased by 60% compared to the same period last year. This is important to mention that this figure represents the number of expenses that are done outside the recommended travel booking tools (like travel portal or SBT). In addition, based on a **GBTA study, a majority of suppliers (88%) and travel management companies (TMCs)** report their bookings have increased in the prior month. This is much higher than the share that said the same **in February (45%).**



Yet, there is mention that **international corporate travel faces bigger barriers than domestic. Around 90% of corporate trips (flights and trains) were expensed inside the European Union.** The potential of COVID-19 outbreaks, and stringent or simply unpredictable entry/exit regulations, have made travel to most regions impractical for the past two years. Additionally, the business travel community is assessing the early impact of the war in Ukraine. **The closure of Ukraine's airspace and the banning of flights over Russian since February impacts the business travel wideness.**

Percentage of corporate trips that were expensed in Europe

+ 90%

in first semester 2022 compared to the previous period in 2021

Evolution of flight expenses

+ 60%

in first semester 2022 compared to the previous period in 2021

PART III

New Habits For Faster Adaptation

The Recent Trends in Corporate Travel Industry

Habits in corporate travel across the last years have fundamentally changed and started to require employees to adapt to new rules. So, **the demand for train tickets started to be a trend since the first Jenji Expense Management Index**. Compared to the first semester of 2021, **train expenses had an evolution of "only" 51% in the same period in 2022**. The slowdown in growth can be attributed to **the fact that the pick of train rides already happened last year**. This year, we can see the adaptation to the new environment. By contrast, taxi ridership has been recently making a comeback. **We can see an increase in taxi expenses by 106% in the first semester of 2022 compared to the same period in 2021**. The shift in the workforce has changed since the pandemic restrictions and **we can see that employees are returning to face-to-face events and preferring in-person business meetings**.

Top 5 companies expensed in terms of taxis/vtc

- Uber
- G7
- Taxis parisiens
- Kapten
- Bolt



On a global scale, today VTC is leading in the transportation choice of employees. Since Uber launched its Sustainable Plan for 2040, more than half (52%) of Uber customers in seven European countries are willing to pay an extra 15-20 cents (euro) per km for a zero-emission ride.

Evolution of train expenses

+ 51%

in first semester 2022 compared to the previous period in 2021

Evolution of mileage allowances

+ 44%

in first semester 2022 compared to the previous period in 2021

Evolution of taxi expenses

+ 106%

in first semester 2022 compared to the previous period in 2021

PART IV

The Sustainable Expense Management

Environmentally Sustainable Travel Gains Traction

In the financial world, interest in sustainable growth has long been limited to a small group of specialist operators. But things have changed in recent years, especially in 2022, when companies' commitment to a zero-carbon future is growing. Travel managers are more responsible than ever for finding ways to reduce the carbon footprint of business travel.

The Paris Agreement explicitly recognized the vital role of the financial system in promoting responsible development. In addition, as of January 1, 2022, Forfait Mobilité Durable took into account commuting to and from work using a personal motorized vehicle, such as an electric scooter. The figures speak for themselves:

Scooter

+ 154% in first semester 2022 compared to the previous period in 2021

In the previous Index, we saw that the pandemic has definitely given rise to a bike boom. The booming demand can also be followed in this semester of 2022.

Since the French Government started to provide purchase subsidies for bicycles, the evolution of expenses hasn't stopped. **Today we can see the increase by 86%** in the first semester of 2022 compared to the previous period. **May 2022 saw a pick of bicycle expenses** compared to all the months before. The trend we see today can be a step to the recognition of bikes as a full mode of transportation.

Bicycle

+ 144% in first semester 2022 compared to previous period in 2021

Fun fact: Ranking the most Cycling-Friendly cities in France

- Strasbourg
- Bordeaux
- Toulouse
- Nantes
- Grenoble



KEY LEARNINGS

When comparing the data of the first and third Index, it is possible to notice that multiple changes occurred

More employee expenses are forwarded out of the need to be compliant with the **new green mobility standard**.

Despite the overall **train expense's** slow progress, we have observed that significant change has been made in the adaptation of green mobility initiatives and eco approach in companies.

Today, the green mobility industry is becoming the core of strategies that are prioritizing solutions like paperless management, the electric vehicle as home to work mobility, data-driven software, and so on.

There is still a lot of work to be done because of some particular and logical issues (for example the train's price increase or the long-distance), but companies are trying to find **a balance between greater green policy consciousness and a convenient decision-making structure**. This leads to a conclusion that green mobility is not an additional tool for organizations, but a real “must” to switch their strategies.

