VDR POSITION

Business travellers need intermodal mobility solutions

Date: June 2022

Why is it still not possible to travel door-to-door throughout Europe with one single ticket? Why cannot that first mile/last mile be integrated into the entire trip, despite the fact that the sharing economy has gained in scale and popularity over the last ten years? Now more than ever, we need modern mobility concepts to encourage the shift to more sustainable modes of transport and drive forward the decarbonisation of the transport sector. For years, digital technologies have enabled us to plan, book and pay for journeys – yet we are still lacking cross-border "seamless mobility" based on end-to-end digital processes without discontinuities. And yet a functioning form of interconnected mobility would offer plenty of opportunities for sustainable travel planning: It would provide targeted incentives to switch to more climate-friendly modes of transport, such as public transport instead of taxis or rail instead of air. At the same time, it would prompt further digitalisation of our mobility and enable more efficient use of our various modes of transport, so that the overall volume of traffic could be reduced.

I.   The advantage of intermodal transport use by business travellers

German companies spent a total of around 55.3 billion euros on their business travel in 2019[1]. Business travellers make an important contribution to the economy by ensuring that the hotel industry, gastronomy and the majority of transport modes are operating to capacity and are economically profitable.

Companies definitely want to encourage the switch to public transport. Apart from the cost savings, they are increasingly keen to encourage the use of eco-friendly forms of transport. So, if we could make the successive economic use of different modes of transport ("economic & ecological intermodality") attractive and effective for business travellers, this would make a vital contribution to the digital and sustainable transformation of mobility. This is also supported by the fact that business travellers are generally open to digital applications. They are more likely than other groups to use such tools if it helps them to organise their daily work more efficiently.

However, the majority of business travel costs incurred in the local transport sector are for taxi journeys with public transport accounting for a much lower proportion of costs. Then there are the expenses for car parks at airports and railway stations if business travellers use their own car for this part of the journey. Business travellers often do not include local public transport in unfamiliar cities and regions in their travel planning because it is difficult to use or because information on connections is simply not available digitally

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[1] see VDR Business Travel Analysis 2020

This is often due to a lack of real-time information, of integration of mobile ticketing into a central platform, of uniform ticket machines or advance booking options and the presence of different fare systems.

II.   What needs to be done for business travellers to use intermodal mobility solutions?

Intermodal mobility is currently not possible across European borders due to different selection, booking, payment and ticketing processes – this is especially true for the integration of local public transport.

Business travellers would increasingly switch to public transport modes if they were integrated in a travel chain and available as door-to-door mobility. If this were the case, all modes of transport could be planned, booked and paid for in one application – and travellers would have a single, cross-border ticket instead of several individual tickets, which could then be passed on digitally to travel expense accounting. The automatic billing of the respective mobility providers in the intermodal travel chain would take place in the background ("clearing").

It goes without saying that the end-to-end protection of passenger rights as a key aspect of simple, safe and attractive cross-border multimodal travel must be guaranteed on all stages of the journey. Currently, consumers who choose to combine different modes of transport are covered separately by different EU instruments for each leg of their journey, even if they have purchased a single ticket for their entire journey. In the future, this will require a new legal framework that ensures the end-to-end protection of passenger rights.

It would also be helpful to compare the carbon footprint of different intermodal travel chains, including local transport, to take sustainability aspects into account when selecting travel alternatives.

III.   Integration of innovative transport concepts

Ideally, a cross-border travel chain should also include solutions for the so-called "last mile" as public transport solutions are often not available for this section of a journey or services do not run at times relevant for business travellers. For many journeys today, the mobility chain will end at airports, train stations or public transport stops far away from the actual destination.

To achieve an uninterrupted and sustainable travel chain in the foreseeable future, there should therefore be an examination of how innovative road transport concepts can be integrated into digital intermodal (cross-border) mobility platforms. This might include on-demand services such as car-sharing and car-pooling. Especially in less well-connected rural regions, such concepts would particularly meet the mobility needs of business travellers and tourists. Technologies such as e-mobility and, in the future, automated driving should be taken into account, as should dedicated solutions for business travellers and commuters.

IV. What needs to be done for companies to use intermodal mobility solutions?

For companies, the integration of mobility offers into their processes would be a key requirement. Broken down into individual steps for each business trip, this would mean:

1. A minimum data set of static, dynamic and real-time data shared and disseminated between transport operators, transport modes and ticket vendors.
2. EU guidelines for operators to promote fair and non-discriminatory competition between parties and facilitate the conclusion of agreements.
3. Visibility of all modes of transport, including timetables and connections.
4. Booking option for all modes of transport in a single process.
5. Real-time information available during the journey.
6. End-to-end protection of passenger rights at all stages of the journey.
7. Rebooking and cancellation options without any problems.
8. Payment via a virtual payment system or business credit card.
9. Uniform billing data compatible with the companies' automated billing processes.
10. A consistent methodology for informing travellers about the environmental impacts of their chosen travel options.

For the above-mentioned processes, companies need to have all mobility offers combined in one system with a uniform standard, i.e. compatible with company interfaces. An intermodal concept should therefore not only include technology enabling private use but also a business customer account for professional use – many providers already offer this option.

Companies with business travellers usually work with travel agencies. This means that travel agencies should also be able to integrate the systems of the intermodal offer into their processes.

V. How can existing challenges be overcome to enable EU-wide multimodal digital mobility services?

While cross-border ticketing often fails at EU level due to the lack of cooperation between the leading national railway companies, the large number of municipal/regional transport associations and their individual interests prevent the introduction of uniform standards at national level. Municipal and regional transport associations also lack the necessary technical know-how. To resolve this problem, experts are needed who are familiar with the connection of systems so that the highest possible degree of standardisation can be achieved – a fundamental prerequisite for integration into corporate processes and thus for usability by business travellers.

The aim would be to have a freely available data set with all the fares of the individual associations and data in real time, as provided for in the PSI Directive (Directive (EU) 2019/1024) on open data and the re-use of public sector information. This requires standardised and binding interfaces so that the different mobility providers can connect to the platform to both feed in their own data and access the information of other data providers. Many mobility providers currently tend to use proprietary standards and interfaces, which massively limit the possibilities of data exchange.

An overarching ID management, IT security and data protection, as well as approved arbitration models and uniform contract design could ensure that interconnectivity between mobility providers based on governance principles, but also in interaction with users, is guaranteed.

Furthermore, it should be examined whether a public, provider-neutral data hub – a Mobility Data Space (MDS) – or a network of such national public data spaces could act as a central broker between mobility platforms, mobility service providers and other service providers, such as digital map providers or technology providers, in order to break down existing barriers and get the expansion of EU-wide digital intermodal mobility solutions off the ground in the first place.

Verband Deutsches Reisemanagement e.V. (German Business Travel Association) (VDR)

The Verband Deutsches Reisemanagement e.V (German Business Travel Association – VDR) is Germany's association for business travel. It represents the interests of German companies on issues affecting the general and competitive conditions for business travel and mobility. It campaigns for efficient, economical, safe and unhindered global travel possibilities for businesses. With over 560 member companies, it represents total sales in the business travel sector of more than twelve billion euros annually (2019).