CPA

Practice **Advisor**

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The latest SpendSmart report from travel and expense management software provider shows some surprising results. In addition to citing traditional brands for favorite hotel, airline and car rental, the report shows that more than half of business

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Business travelers have a lot of clout when it comes to their expense accounts. Not always with the amount of spend they control individually, but certainly where and how they spend it.

The latest SpendSmart report from travel and expense management software provider Certify shows some surprising results. In addition to citing traditional brands for favorite hotel, airline and car rental, the report shows that more than half

of business travelers now prefer Uber over other forms of ground transportation. The

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categories such as food, airlines, lodging and car rental. The report highlights top vendors and emerging trends by analyzing data from millions of expenses and receipts processed through the Certify system. Data is compiled each quarter and at the close of each year to help CFOs, controllers, accountants and business travelers make more informed expense management choices.

Elsewhere in the sharing economy, alternative hotelier **Airbnb** has gained traction with business travelers in recent years, doubling its share of transactions each year since 2014. In 2016, Airbnb ended the year with .27% of expenses and receipts in the hotel category overall. While still under 1% of the total, Airbnb's growth is significant in this context. For example, Certify reports on the top 15 hotels by expense percentage with Hampton Inn in the number one spot at 8.82% and Residence Inn in last place with 1.18%. Assuming a similar or slightly improved growth rate, Certify expects Airbnb could approach the top 15 most expensed hotels sometime late next year. Looking at average room nights, business travelers also stayed longer with Airbnb compared to traditional hotels; 4.51 to 2.58 nights, respectively.

Sharing economy original Craigslist.org also found new life in the 2016 Certfy SpendSmart Report. For the first time since Certify began reporting on business travel trends in 2013, data shows the venerable online marketplace made up .53% of the general cash expense category in Q4 2016. This is notable, as more common expenses like WiFi accounted for just .40% of the cash category in the same quarter. Analysis of the Certify SpendSmart user reviews shows many Craigslist expenses are for recruitment and classified advertising, some in temporary and remote location employment. In this way, companies are likely using Craigslist to fill project-based assignments similar to other "gig economy" services such as TaskRabbit and JobRunners (neither of which had a strong showing in the 2016 data).

"Business travel got a lot more personal in 2016," said Robert Neveu, CEO, Certify.

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Certify also analyzed overall expense spending for 2016 to determine the average cost per transaction and percent of total T&E budget by expense category. This includes meals, airfare, lodging, gas, miscellaneous and eight other common expense categories. Additional analysis of the more than 10 million receipts and expenses logged by Certify in the fourth quarter of 2016 includes the most expensed and highest rated brands for business travelers such as **Starbucks**, **McDonald's**, **Subway**, **Delta**, **United**, **Marriott**, **Hampton Inn**, **National Car Rental** and more. User ratings and average expense amounts are broken out by category below.

The Certify SpendSmart Report provides analysis of vendors, expense amounts and satisfaction rating data from corporate expense reports collected directly from its customer base. Certify SpendSmart reports on millions of receipts and expense transactions every quarter, delivering valuable insights to Certify clients and the business travel and expense industry at large. Certify is a premier provider of integrated travel booking, travel and expense management, and reimbursement in one automated, cloud-based system. Previous quarterly reports are available here.

Fourth Quarter and FY 2016 Highlights:

Most-Expensed Restaurants:

Starbucks: 5.10% of expenses, averaging \$12.62 per receipt

McDonald's: 2.85%, averaging \$9.76

Panera Bread: 1.68%, averaging \$42.10

Subway: 1.53%, averaging \$19.16

Dunkin' Donuts: 1.36%, averaging \$13.80

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Top Rated Restaurants (On a scale from 1 to 5, as indicated by travelers)

Chick-Fil-A 4.4

Chipotle 4.3

Jimmy John's 4.3

Olive Garden 4.3

Panera Bread 4.3

Most Expensed Airlines

Delta: 20.22%, averaging \$416.98

American: 17.30%, averaging \$319.81

United: 14.02%, averaging \$374.66

Southwest: 11.15%, averaging \$285.30

JetBlue: 1.49%, averaging \$233.64

Top Rated Airlines

Alaska Airlines 4.6

Southwest 4.6

JetBlue

4.5

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Marriott: 8.23% of expenses, averaging \$261.09

Courtyard by Marriott: 7.20%, averaging \$175.47

Holiday Inn Express: 4.67%, averaging \$219.30

Hilton Garden Inn: 4.49%, averaging \$210.17

Top Rated Hotels

Westin 4.6

Homewood Suites 4.4

Embassy Suites 4.3

Hilton Garden Inn 4.3

Hyatt 4.3

Most Expensed Car-Rental Services

National: 24.59%, averaging \$181.69

Enterprise: 16.76%, averaging \$181.92

Hertz: 14.40%, averaging \$194.61

Avis: 12.42%, averaging \$172.74

Budget: 3.79%, averaging \$183.87

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Hertz: 4.0

Budget: 3.8

2016 T&E Expense Category Breakdown (% of total spending)

Meals 19%, averaging \$27.02

Airfare 15%, averaging \$316.17

Hotel 14%, averaging \$210.19

Misc. 13%, averaging \$68.20

Fuel 11%, averaging \$29.77

Taxi 9%, averaging \$27.90

Cell Phone 5%, averaging \$89.00

Car Rental 5%, averaging \$190.74

Supplies 5%, averaging\$108.89

Shipping 2%, averaging \$99.24

Tolls 1%, averaging \$24.38

Parking 1%, averaging \$34.10

For complete data and analysis from the SpendSmart Q4 2016 Report, go

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