

# Managing expense reports the different levels of maturity

## USA vs Europe



### Expense increases on both sides of the Atlantic

**+8%**  
Spending  
on expense

In the United States, spending on expense reports increased by 5.5% in 2017. It even got close to 8% in 2018. This was similar to the increases seen in Europe.

The additional services offered by hotels, airlines or car hire companies are now adversely affecting expenses.



Costs for mobile phones and parking are also increasing.



**+9%**  
in hotel  
services

Another trend is the rise in prices for hotel services (bar, room service...) by 9% over the last three years.

### Differences in size



Expense report fraud amounts to **between \$100 and \$499 (between 90 and 448 euros)** per employee per year.

**100 to 499 \$**  
per employee per year



In European companies, fraud averages **700 euros** per employee per year.

**700 €**  
per employee per year



**Widespread restrictions appear to be discouraged.** Implementing restrictions within travel policies is ultimately more detrimental, as this also leads to **expense report fraud estimated at 2.2% of overall expenses.**

The lack of automated tools for managing expense reports tends to drive employees to avoid the rules.



In **84%** of cases  
Expense report processing is paperless.



**62%** of receipts  
are still in paper format.



In **40%** of cases  
Expense report processing is paperless.



**81%** of receipts  
exits in paper format.



Today, **mobile applications** allow the instantaneous integration of expense reports and automate all associated flows, regardless of where the employee is (taxis, trains, hotels...). It is an effective way to drastically **reduce the potential for fraud.**

**7,5 B€**  
VAT per year

Due to lack of information, many European companies do not recover foreign and local VAT on expense reports. In the European Union, this amounts to **7.5 billion euros** per year and **only 2.2 billion is repaid** to companies. The loss in profits for businesses amounts to 5.5 billion euros.

**Automation** is one answer to this problem.

