
2023
Global business travel forecast
GBTA
GLOBAL BUSINESS TRAVEL ASSOCIATION
CWT

How to get the most out of this forecast

Navigating the recovery of business travel and stepping into an exciting next phase requires an ear to the ground like never before. The new interactive format of CWT and GBTAs 8th annual global business travel forecast allows readers to access global graphs detailing average room rates, airfares and car rental hire.
Click on the graphs to segment by region, midscale and upscale and premium and economy.

Contents

The view from 30,000 feet: global travel races to recover in the face of a slowing economy

The global business travel and meetings and events industries have made incredible progress in recovering from one of the worst economic downturns on record. Domestic demand continues to improve, and the easing of COVID-related restrictions around the world is beginning to accelerate cross-border business travel. The outlook for the industry is positive, though there are potential risks that could frustrate recovery.

Business travel and meetings bookings are picking up despite **geopolitical uncertainties** including the war in Ukraine, lingering COVID restrictions in major aviation markets, travel disruptions caused by labor shortages, the rising risk of a global recession and persistent **higher prices**.

Growth is expected in all major business travel and meetings markets and segments in the coming years as the industry works to recover to pre-pandemic levels. Despite this **encouraging outlook**, it is important to remember that businesses and business travelers are operating in a highly uncertain environment.

Growing confidence in business travel is being driven by a number of factors, including an overall improvement in the global economy, rising corporate profits, and increased demand for goods and services.

Despite these **positive trends**, there are still some potential risks that could impact the business travel industry in the coming years. One of the biggest risks is the possibility of another wave of COVID infections which could lead to renewed restrictions on travel.

Inflation, too, is exerting pressure on most continents and is forcing central banks to raise rates aggressively. High prices could dissuade consumers and business travelers and aggressive interest rate hikes could precipitate a recession. Already economic growth is slowing in most parts of the world, which in turn could impact corporate profits and business travel demand. Even a minor recession could dent the business travel recovery.

Combating climate change is of accelerated importance and now closely linked to the post-pandemic trend of more purposeful travel. Businesses are ranking sustainability among their top priorities and calling for greater visibility at the point of sale for greener travel options, as well as **carbon foot-printing**, and **environmental impact assessment**.

The **GBTA CWT 2023 Global Business Travel Forecast** is designed to enable corporate travel buyers to **build and budget their 2023 travel programs** with an informed summary of how the global pandemic influenced pricing in 2022, as well as a detailed dissection of macroeconomic factors that will likely influence pricing in 2023. Additionally, the forecast details the pricing outlook for the **air**, **hotel** and **ground** transportation sectors and offers tips to navigate confidently through rapidly shifting times.

An eye on the **global economy**

The world economy shrank

3.4%

in one of the worst declines since World War II.

Service sectors, including travel and hospitality, were hit especially hard, but the global economy recovered briskly, rising off the lows of 2020 and increasing **5.8%**

The current base case scenario for 2022 is for **3%** growth

Economic growth is moderating as the recovery lengthens, although another recession is a growing concern.

followed by **2.8%** growth in 2023

2020

2021

2022

2023

Gross Domestic Product

	2020	2021	2022	2023
Global	-3.4%	↑ 5.8%	↓ 3.0%	↓ 2.8%
North America	-3.5%	↑ 5.6%	↓ 2.1%	– 2.1%
Europe	-6.4%	↑ 5.4%	↓ 2.3%	– 2.3%
Asia-Pacific	0%	↑ 7.0%	↓ 4.3%	↑ 4.7%
Africa	-1.8%	↑ 4.1%	↓ 3.5%	↑ 3.7%
Latin America and the Caribbean	-7.4%	↑ 6.6%	↓ 1.9%	↑ 2.6%
Middle East	-3.5%	↑ 6.1%	↓ 4.8%	↓ 3.8%

There are three main forces exerting pressure on the economy, and conversely, the business travel industry: 1) Russia's invasion of Ukraine, coupled with other geopolitical uncertainties; 2) inflationary pressures that are pushing costs higher; and 3) the risk of further COVID outbreaks that could restrict business travel.

War in Ukraine

and rising geopolitical concerns

While the invasion has more severe consequences for Europe, the impacts are being felt globally, with negative shocks on already strained supply chains – the biggest near-term impact being on commodity prices such as oil, gas, and grain. The conflict has also weakened confidence in the region.
Reduced consumer confidence will reduce demand, while weaker business confidence will hurt investment. There are also growing concerns that other geopolitical conflicts could arise as a result of the conflict, putting further pressure on prices and resulting in declining economic growth.

Persistent inflation

The global policy response to the pandemic drove an increase in demand, which in turn has resulted in many of the inflationary pressures we are seeing today, with central banks moving quickly to combat inflation by raising interest rates. The US Federal Reserve, Bank of England, and Bank of Canada have all delivered rate hikes, while the European Central Bank has indicated it will raise rates above zero this year for the first time since 2012.

The conflict in Ukraine added upward pressure on prices, but inflationary pressures were already evident long before the invasion. Inflationary pressures are raising the cost of business travel through higher labor, food, and fuel costs. The resulting price hikes could also dissuade business travelers from making trips which could hurt industry recovery.

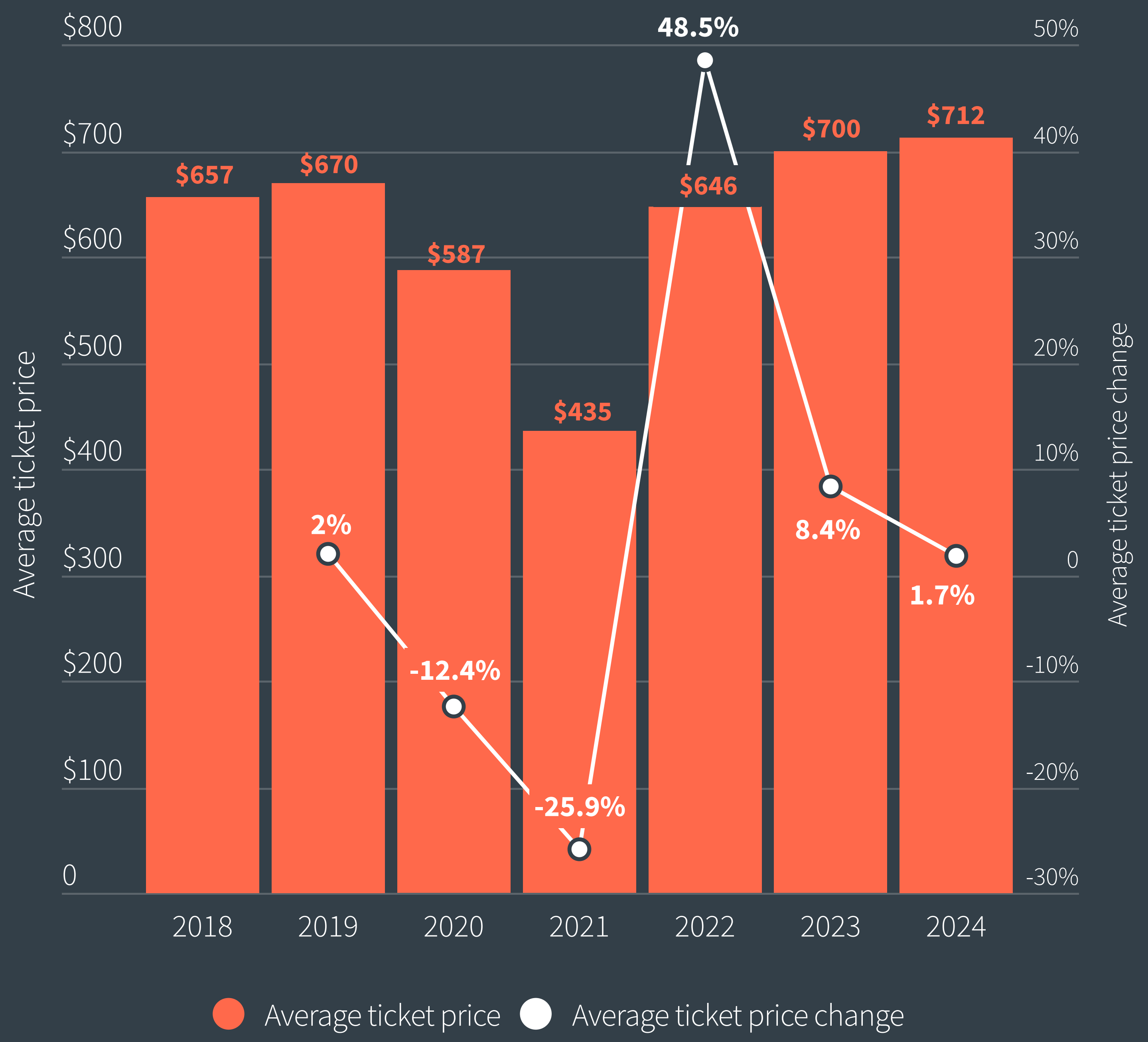
Ongoing risks

of further COVID outbreaks

There is a continued risk that additional COVID outbreaks will hinder business travel, and the possibility of additional waves of infection in 2022 and into 2023 remain acute. Spikes in cases may result in renewed lockdown measures that could once again curtail business travel. There are also concerns about the potential of new, more contagious variants of COVID emerging and spreading globally.

Air

Click on chart to get additional information



Source: Global Business Travel Association (GBTA)

Average ticket price

2022

$646

2023 ↑

$700

Pricing snapshot

Business travel airfares fell over 12% in 2020 from 2019 followed by an additional 26% decline in 2021. Economy ticket prices fell fell 24% from 2019 to 2021, while premium (first class and business class) tickets fell 33%. Prices are expected to rise 48.5% in 2022, but even with this steep price increase, prices are expected to remain below pre-pandemic levels until 2023. Following an increase of 48.5% in 2022, prices are expected to rise 8.4% in 2023.

Rising demand and continued price rises on jet fuel, which have seen prices more than double in some markets to over $160/barrel according to S&P Global, are putting upward pressure on ticket prices.

Premium class tickets comprised over 7% of all tickets purchased in 2019. The share of premium class tickets fell to 6.5% in 2020 and to 4.5% in 2021 but have started to rise in 2022. Through the first half of the year, premium tickets made up 6.2% of all tickets purchased. A rising share of premium class tickets will result in in higher average fares.

International and cross border bookings are recovering across most regions which will result in a higher share of international ticket bookings and a corresponding higher average ticket price despite uncertainties caused by the war in Ukraine. This upward trend is largely due to widespread vaccine rollouts and border re-openings.

Europe, Middle East & Africa (EMEA) has the highest share of premium class bookings compared to other geographic regions. Only EMEA and LATAM saw the price of economy tickets rise in 2021. Economy class prices are rising modestly in 2022 and premium class bookings are driving the overall increase in pricing.

Latin America: The region is seeing an uptick in demand even though capacity remains constrained below 2019 levels by 13% for some segments. The region is seeing a recovery in premium class ticket bookings which have increased from 2.9% of all tickets in 2021 to 4.1% in the first part of 2022. This is putting upward pressure on overall prices which are expected to rise 38.1% in 2022 and 7.9% in 2023.

Asia Pacific: Airline prices will rise significantly in 2022 across the region but will remain below 2019 levels. Average prices were $545 in 2019, and expected to average $369 in 2022.This is due in part to a significant shift away from premium tickets and from more expensive longer-haul international routings as a result of strict COVID policies in the region. The share of premium tickets is half as high as they were in 2019, likely due to a decline in international tickets.

North America: Business travel airfare rates will surpass pre-pandemic levels in North America by the end of 2022, driven in part by a strong recovery in consumer demand. The end of testing requirements should help drive increased international arrival and departures which will put upward pressure on average ticket prices.

Trends

Business travel is back but not without its challenges. Ongoing price rises and labor shortages are causes for concern when it comes to flying, but the shift to prioritizing the value of a trip over price is good news for everyone. This is evident in the rampant resumption of air demand, most notably in North America.

Labor Shortages

Smarter ways of working

It is hard to ignore the negative effects of labor shortages on air travel. The UK saw 500 flight cancellations in a single weekend in June 2022 and this is by no means an anomaly. Staffing shortages - from runway maintenance and ground staff to baggage handlers, call center teams and pilots - are leading to flight cancellations, price rises and delays across the US and Europe, as airlines struggle to balance their resources with the surge in demand. This turbulence will level out as airlines, corporations and travelers come to terms with new timetables and fewer flights, but this is not an issue that can be fixed overnight. The deep cuts made to all staff during the pandemic spurred on the large-scale retirement of many pilots, while other key airline workers had to look elsewhere for work and found jobs outside the industry or made the decision not to return to work.

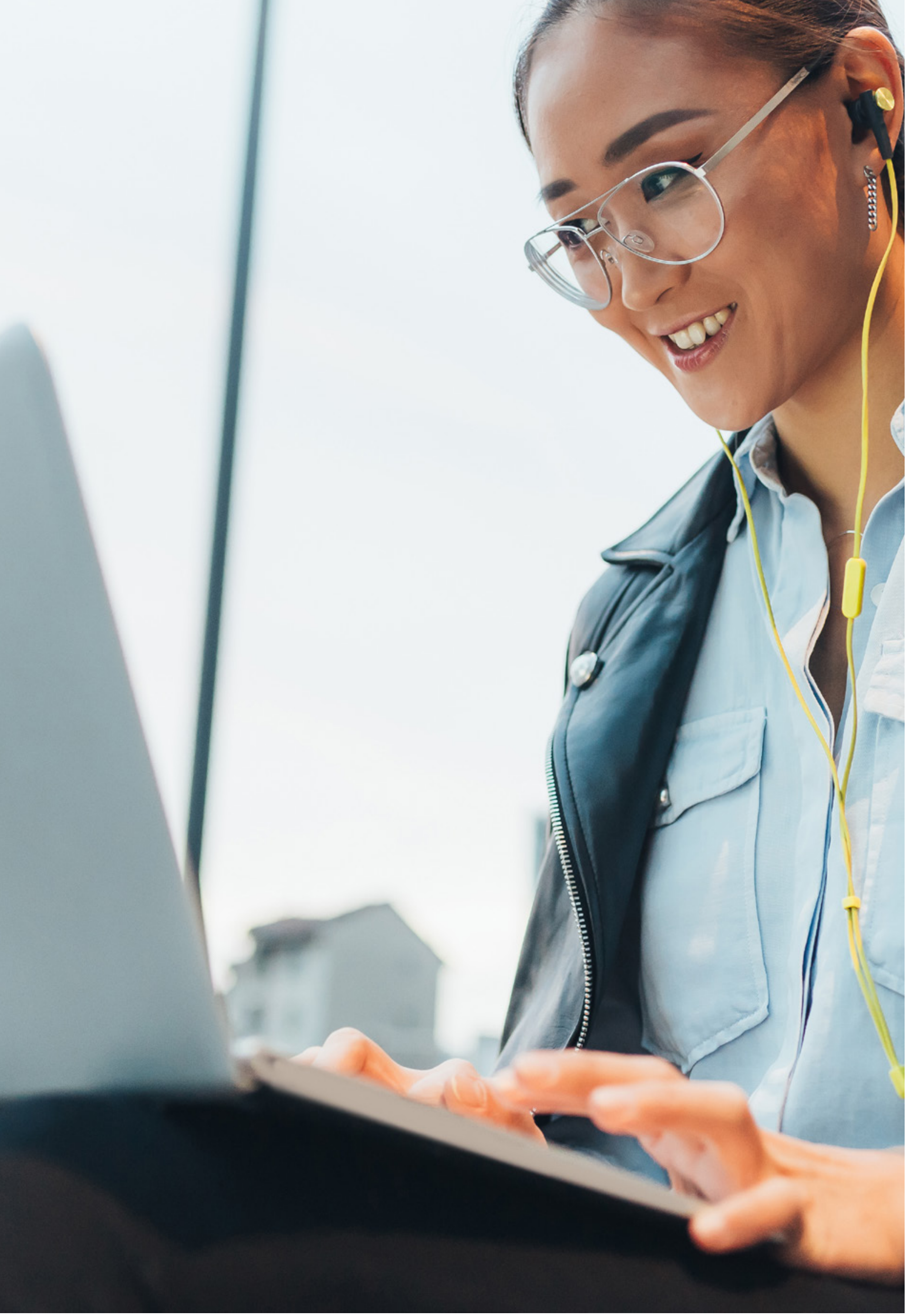
As a result, wage packets are being re-benchmarked to offer more incentives and airlines are looking at how else they can attract and retain talent in such a competitive market. Similar to the business travelers they serve, airlines are looking at new ways of working to make jobs more appealing for their employees

> There is a glut of job vacancies in the market and mass competition within the industry to hire people back to fill in the gaps caused by the pandemic restrictions and keep up with the resurgence in demand. The shortage of labor is having the largest impact on pricing and travel. There are not enough staff in the immediate term for airlines to keep up with the increased demand for flights.

Richard Johnson,
Senior Director, CWT Solutions Group notes

to keep them onboard. For example, offering better work/life balance, benefits and incentives, more defined career paths and training and, for jobs that allow it, minimizing commuting through at home or hybrid working.

As the industry works to redress this imbalance, flights will continue to be at a premium, so when it comes to booking for business, the earlier the better.



Purposeful travel

It's NOT all about (saving) money

There is no doubt the pandemic has made a lasting impression on air travel. As the industry recovers, corporations across the world have had a chance to re-evaluate when, where and why they should fly. While some businesses continue to limit international travel, cross border bookings are on the rise. And in spite of the economic outlook, price is no longer the predominant factor when it comes to making business travel decisions.

An increased focus on employee well-being – including talent retention and acquisition – is leading many corporations to evaluate their corporate travel policies to embrace more balanced and sustainable programs that, if planned appropriately, will see them into the next ten years.

Instead of limiting travel to the cheapest class and airfares, or halting air travel altogether in name of cost savings (a pre-pandemic, legacy response), businesses are starting to respond to the upward surge in flight prices with smarter, more purposeful travel policies.

In other words – they want travel to be part of a more strategic approach to achieve higher level business objectives, rather than just a means to an end. Travel managers can help champion this more purposeful approach by introducing tools such as point-of-sale carbon footprint indicators, and thinking beyond pricing and looking more broadly at travel policies to include employee wellbeing and greener travel.

Responsible choices

The power of data

If employees have access to smarter travel options, they can perform better. Access to the right data and technology can support this, helping personalization play a role in purposeful travel. Using a range of metrics – from pricing and availability, to green credentials – and weighing them based on importance can help travel managers to prioritize preferred suppliers best suited to meet their business objectives.

And whether it's through real-time tracking to help ensure the health and safety of travelers, or the ability to select more fuel-efficient aircraft, or New Distribution Capability (NDC) that uses data to help travel managers and employees tailor travel policies for the best outcomes, giving business travelers more choice when it comes to their overall experience.

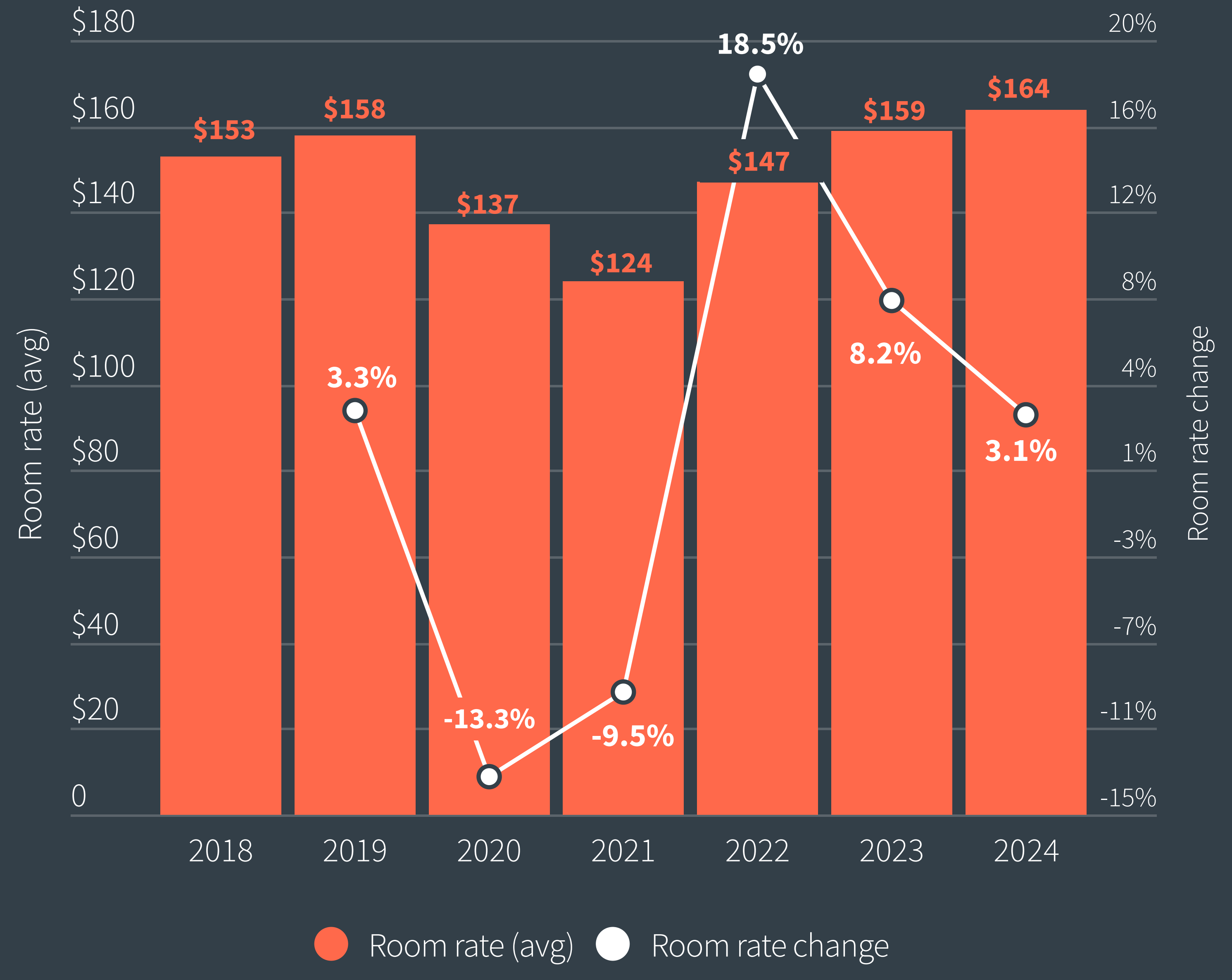
Advances in SAF

Travel managers should have greater visibility into which airlines and routes are using sustainable aviation fuel (SAF) within the next 2-3 years, which will help contribute to making greener choices when it comes to air travel.

While full use of SAF is still a good 10 years away, with demand for the fuel well ahead of supply, it is already taking to the skies. IATA reports 45 airlines now have experience with SAF and more than 350,000 flights have used it since 2016. Last year saw a 100% SAF-fueled flight from Chicago to Washington DC by United Airlines. *Airfare is inclusive of tax and surcharge.

Hotel

Click on chart to get additional information



Source: Global Business Travel Association (GBTA)

Average room rate

2022

$147

2023 ↑

$159

Pricing snapshot

Hotel prices fell 13.3% in 2020 and an additional 9.5% in 2021. Hotel prices are expected to rise 18.5% in 2022 followed by a 8.2% lift in 2023. Hotel prices have already eclipsed 2019 levels in some areas and will do so globally by 2023.

Hotel rates have risen sharply in parts of the world driven by an accelerated recovery coupled with continued capacity constraints.

Hotel rate increases were initially driven by strong leisure travel in 2021 but group travel for corporate meetings and events is improving and transient business travel is similarly gaining healthy pace, putting further pressure on average daily hotel rates.

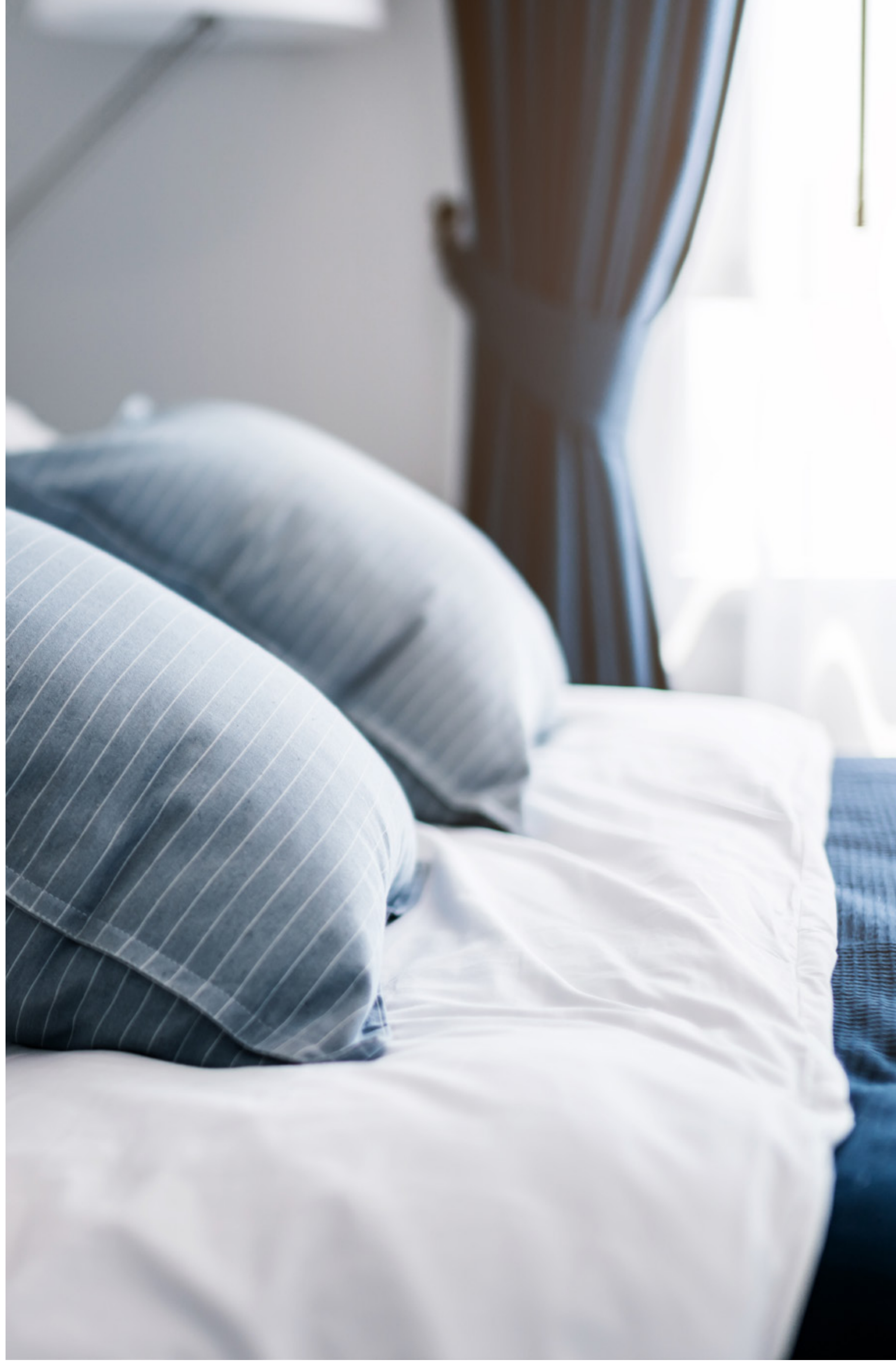
North America: Broad inflationary pressures in food and labor are contributing to higher prices especially in areas supported by strong underlying demand. This includes the U.S. and Canada, which have seen strong hotel occupancy in 2022, surpassing 2019 levels in many markets. Solid demand will drive the strongest expected growth in pricing compared to other regions. North American prices are expected to rise 22%, and a further 11% in 2023, as hotels work to offset higher operating costs.

Latin America: Booking windows have shortened (0-7)days on average, for a significant share of bookings) for this region, while length of stay is increasing as travelers blend work and vacation, especially at beach destinations like the Caribbean countries. Some destinations in the Caribbean will see record bookings in 2022 and 2023 as demand improves, adding to further upward pressure in pricing.

Asia Pacific: China's strict COVID policy continues to curtail travel demand in the market, which is having a broader impact in the Asia Pacific region. Furthermore, low occupancy rates and a shift towards lower-priced hotels in places like China are keeping average hotel rates down. The China market is expected to rebound at pace once restrictions are lifted, as seen in Australia. Where open borders will continue to drive strong inbound traffic, putting upward pressure on hotel rates.
Rates in Japan are unlikely to surpass 2010 levels due to significant travel restrictions keeping rates low.

Europe, Middle East & Africa: Europe will likely see an uneven recovery in hotel rates. In the UK, for example, hotel prices are set to rise 31.8% in 2022, surpassing 2019 levels. Rates in some destinations in Continental Europe including Germany and France are unlikely to surpass 2019 levels due to the economic fallout from the invasion of Ukraine.

Parts of the Middle East are seeing strong increases in hotel rates as occupancy rates climb whilst meetings and events see a resurgence in the region, with the UAE's Expo 2020 Dubai generating 24 million visitors over six months. The country could benefit further as a destination for Russian travelers who are now restricted from other countries. In Europe, strong inbound traffic will drive hotel prices higher as demand increases and available rooms are booked.



Trends

Businesses are striving to balance the benefits of remote working with the need for teams to meet in person. Hotels have a role to play in hybrid working, but need to monitor price hikes carefully to avoid pushing too far and alienating their most valuable customers.

'Home' office space

Redefining remote working

> As the pandemic continues to fade into the distance, we expect that internal meetings will become even more important, particularly in companies that have not mandated a return to office.

Nathan Brooks,
VP Supplier Management for Hotel/Meetings and Events at CWT

Hotels have jumped at the opportunity to become part of this hybrid working culture, offering a host of suites or meeting rooms to allow disparate teams to work and meet so much so that many have adopted the popular WFH acronym to mean 'work from hotel', rather than 'work from home'. This option can range from 'hot desking' perks with hotel stays to monthly subscription packages that provide access to other hotel amenities ranging from restaurant discounts and on-site gym memberships to spa vouchers.

CWT Meetings & Events saw in-person meetings jump 65% in 2022 from 2021 while virtual and hybrid meetings decreased by 70%.

As the pandemic saw many people moving out of city centers and working remotely from further afield, some hotels have started to relocate or search for new properties in more residential and leisure-rich areas - like Naples, Florida - to take advantage of the opportunities this remote and blended workforce provide.

A hybrid approach

The rising cost of travel in general, and hotels specifically, is one of the factors driving more purposeful travel. Employees are less likely to fly out for an overnight conference or meeting, but instead book a hotel in a city or central hub, traveling out to various nearby meetings over the course of 3-4 days.

"We are not necessarily seeing travel policies change, but we may see longer trips as travelers merge several trips into one journey," continued Brooks.

For example, in the name of prioritizing well-being, Thursdays to Mondays are often the busiest days for hotel stays as workers blend their weekend plans into business travel.

Value for money

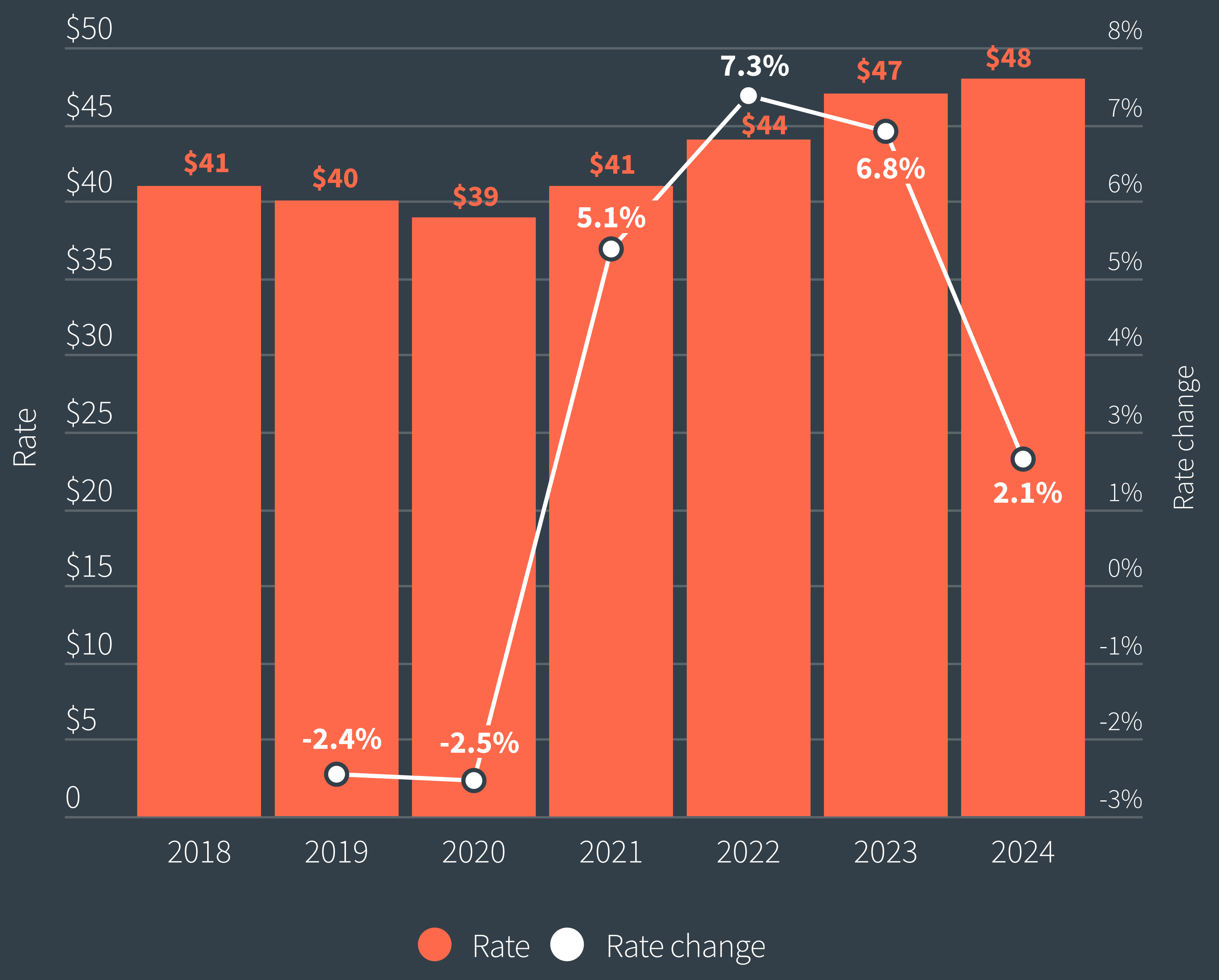
To ensure businesses receive the most value from these face-to-face meetings, many teams are combining virtual planning sessions with in-person meet ups. Much of the preparation work that may have taken place in person previously, is now taking place online in advance through a series of virtual meetings. This approach means teams can make the most of their time together in person – a necessity as meeting and hotel space looks to continue to come with a premium price tag for the foreseeable future.

Speaking of rising costs, travel managers should expect difficult negotiations when it comes to hotel stays, as accelerated recovery coupled with capacity constraints continue to drive prices upwards. Diligence is key in managing the negotiation process, and access to real time sourcing is important to keep up with changing travel demands.

Market conditions will definitely dictate average daily rate (ADR) increases as the demand for rooms remain strong, however, as inflation limits leisure demand, we may see a better balancing of that supply and demand.

Ground

Click on chart to get additional information



Source: Global Business Travel Association (GBTA)

Average rate

2022

$44

2023

$47

Pricing snapshot

Global car rental prices fell 2.5% in 2020, before rising 5.1% in 2021. Prices are expected to increase 7.3% in 2022, hitting new highs, and rise a further 6.8% in 2023.

The vehicle industry remains capacity constrained. Rental agencies reduced fleet sizes in the wake of the pandemic and have not yet fully recovered. This is due in part to component shortages and supply chain disruptions that have reduced global auto production.

Rental agencies have reverted to buying used vehicles to increase fleet sizes and are keeping their vehicles longer. Some agencies are also buying vehicles from automakers outside of their historically supported brands.

North America, Europe, Middle East & Africa

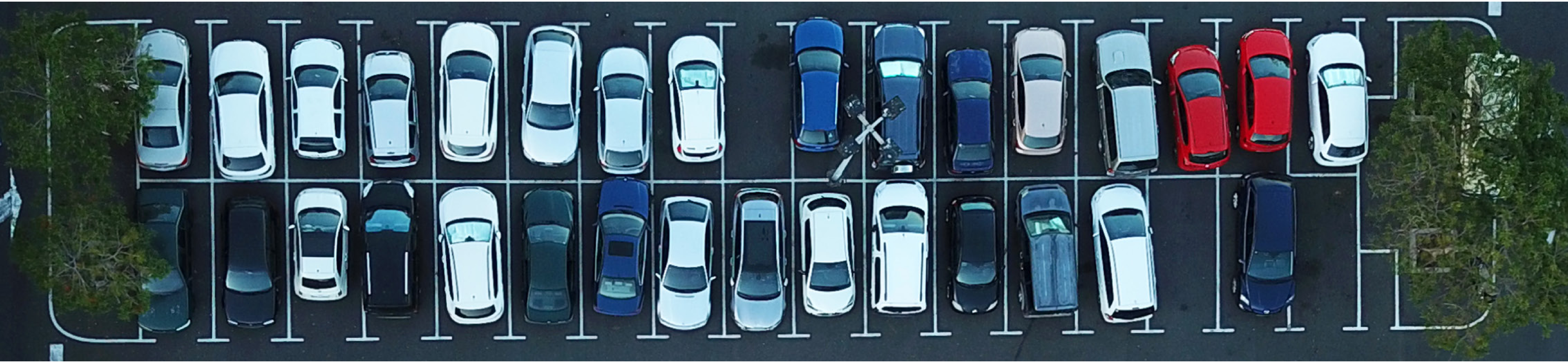
Strong demand, coupled with strained capacity, is expected to keep upward pressure on vehicle rental prices in EMEA and North American markets.

Latin America

Similar to hotel demand, many Caribbean islands are seeing strong car rental demand in Latin America as some travelers combine leisure and business trips, while others work remotely for an extended period of time.

Asia Pacific

Car rental prices will likely moderate slightly in APAC in 2022 and 2023. Strict COVID restrictions will limit rentals in some markets like China. Australia saw rental prices rise significantly in 2021, when the country was largely open for domestic travel, but closed for international travel. The substantial rise in 2021 will moderate somewhat in 2022 and 2023.



Trends

Skyrocketing prices, vehicle shortages and the need for visibility into carbon emissions from door-to-door are driving corporate travel managers to factor ground transport into full trip planning from the beginning.

Driving adoption

Electric Vehicles (EVs) power ahead

Widespread adoption of EVs for personal and business use may still be a good few years away, however, worldwide demand could grow sixfold from 2021 to

2030 with unit sales increasing from 6.5 million to 40 million, according to McKinsey research. Motivated by traveler preference and the call for greater visibility into carbon emissions for global businesses, sustainability and green travel options are moving into the spotlight when it comes to all aspects of the travel selection process.

The demand for accountability is helping to fuel car rental companies' investment in electric fleets, but there is still work to be done before EVs are the norm for business travel. To begin with, the turnaround time for an EV returned empty requires hours of charging time versus the 30 minutes now allotted for petrol-powered cars. These longer lead times require a shift in operations to avoid further shortages, delays and disappointment – something that all the major players are working on.

On the drivers' side, charging infrastructure varies hugely across countries and regions and range-anxiety is a very real barrier when it comes to renting an EV. Travel managers are teaming up with companies like CWT to help combat this by signposting local and online resources, providing maps and real time information on where (and how) to charge an electric vehicle.

Global climate change initiatives - like the EU's ban on combustion engine cars from 2035 - are also playing a part in helping to solve the infrastructure gaps when it comes to speeding up adoption, charging times and increasing charging points.

EVs are unlikely to dominate business travel in the short term, but demand for them as part of the ground transport mix will continue to grow, as travelers become more aware of their carbon footprints and comfortable with the technology – and - as suppliers navigate the issues around turnaround times.

Book early, book often

With preferred suppliers

Just as ground transport is becoming a more visible part of the full trip package when it comes to reporting carbon emissions, car rental needs to be factored into every trip from the start. Whether travelers are requesting an EV or a standard gasoline powered vehicle, the current shortage of available rental cars is very real.

As demand continues to outstrip supply, travel managers should do everything possible to work with their preferred suppliers. Loyalty can play an important role when it comes to fleet mix and, in some cases, accessibility. Rental cars should be booked in line with air purchases – the sooner the better. Early bookings not only help to reduce costs, but give suppliers a clearer picture of their available fleet.

Return of the rideshare?

Including alternatives in the mix

Like many public transport options, rideshare, or Transport Network Companies (TNCs) such as Uber and Lyft, took a backseat during the pandemic as there was less control in regards to safety and cleanliness. While they have not returned to their pre-pandemic levels, the trend of using TNCs is slowly creeping back into business travel, due in part to the rental car shortages. Travel managers should not be afraid to be flexible when it comes to their corporate travel policies.

Building in options like TNCs and public transport routes for simple journeys can provide eco-friendly alternatives when rental cars are too pricey or unavailable. Longer trips, visiting multiple places, or distance travel however can create false economies if you're relying on TNCs for ground transport. Each traveler must be comfortable with the options on offer, as their well-being and safety is paramount.

Meetings & Events

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Prices have increased in all regions across most categories of spend, fueled by pent-up demand, a desire to build company culture and an uncertain economic outlook. The average cost-per-attendee in 2022 is expected to be around 25% higher than 2019 levels, and is likely to rise a further 7% in 2023.

As the meetings and events industry continues to recover post-pandemic, an influx of events - coupled with shorter lead times - are driving up prices across venue hire, accommodation, food & beverage and production.

A perfect storm

The eagerness to return to in-person events can be described as akin to ‘flipping a switch’. Demand for events has peaked very suddenly, at levels that appear to have taken the industry by surprise. At the same time, hotels and venues are struggling to recruit staff to meet this surge and are operating at reduced capacity. It is difficult to pinpoint any one factor.

Price hikes across categories are being driven by rising inflation in general, combined with higher costs of labor and supplies. People left the events industry during the pandemic, creating a hot labor market, and it takes time to train new recruits. It is likely that higher food and beverage prices are linked to global food inflation and the impact of Russia’s invasion of Ukraine. A high demand for meetings paired with reduced hotel and venue inventory - with some having closed altogether during the pandemic - is pushing up prices too.

Alongside pent-up demand, corporate events are now competing with many other types of events that were cancelled in 2020. And, with many companies having given up office space during the pandemic in favor of remote working, they are now booking meeting spaces when staff gather in person, further fueling demand. Shorter lead times for events, varying from one to three months, are also contributing to this perfect storm, perhaps underscored by corporate concerns that the situation they face today could change very rapidly. This is particularly noticeable within Asia Pacific, which has been slower than other regions to re-open post-pandemic, with ongoing restrictions in China prompting clients to make sure their events can go ahead, and as quickly as possible.

The food factor

Food and beverage (F&B) is one area that has experienced high price increases in all regions. Alongside inflation, a desire to facilitate face-to-face networking, pulling out all the stops and an emphasis on sustainability could be driving up prices. Asia Pacific and North America have seen the sharpest increase in catering costs, with the average F&B spend per attendee in 2022 up by around 120% and 70%, respectively, compared to 2019.

Reduced spend in this area is therefore unlikely in the current climate. Attendees expect to have wider choices available (e.g vegan, vegetarian, meat, and fish), and are just as interested in how food is being sourced, ensuring the most sustainable supply chain possible. Dining options are changing too, moving away from the plated dish to self-serve stations, ensuring people take only what they want and minimizing wastage.

Incentives gather pace

The growing emphasis on sustainability issues is also making its mark on incentive travel, where CWT expects to see an increase in spend, as companies seek to re-engage with employees and reignite culture. Corporates are looking to travel to destinations where they can make a positive impact. Alongside the reward element, there is a trend for incentives that offer an experience and an opportunity for participants to 'connect' with a particular location and to return motivated and engaged.

CWT believes corporates are willing to spend more on experiences and bringing people together, with a renewed focus on incentives and networking.

Looking forward
to 2023

A slowing global economy may apply some downward pressure on prices if companies hold off staging face-to-face events and return to a hybrid format, with larger virtual gatherings supporting smaller in-person events. That said, CWT Meetings & Events is observing that many hotels and venues in key markets are now fully booked for large groups until 2024. Barring any severe geo-political risks, or further tightening of COVID-related restrictions in 2023, prices are likely to continue increasing, just not at the rate observed in 2022. And, while prices will remain at a premium next year, buoyed by continued demand, corporate budgets are likely to be reassessed and expectations revised in line with this.

Top corporate event destinations in 2023

NORAM

1. NEW YORK
2. HOUSTON
3. Boston
4. Chicago
5. Minneapolis
6. Las Vegas

LATAM

1. SÃO PAULO
2. CANCUN
3. Ribeirao Preto
4. Rio Verde
5. Bogotá

EMEA

1. LONDON
2. PARIS
3. Milan
4. Berlin
5. Stockholm
6. Barcelona

APAC

1. SINGAPORE
2. TOKYO
3. Port Douglas
4. Phuket
5. Brisbane

Source: Based on forward bookings by CWT Meetings & Events Clients.

NORAM: North America
LATAM: Latin America
EMEA: Europe, the Middle East and Africa
APAC: Asia-Pacific

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Rising prices and high demand for flights, rooms and ground transport means business travel is unlikely to see heavy discounts anytime soon but travel managers can still achieve value for money.

Increase Trip Planning

Book as early as possible to help ensure availability. Consider using apps like myCWT to book flights, hotel and [now] ground transport at the same time to keep everything in one place and make it easier to stick to your travel program parameters.

Provide non-refundable hotel rate options for travelers as part of your hotel content, particularly those booking close to departure to benefit from lower pricing for the same room on a non-refundable rate plan. Ask your travel management company to apply non-refundable rates to your hotel content offering.

The Long Lead

A longer booking window helps you take advantage of advance purchase rates, which can make for savings where rates are rising rapidly.

Consolidate spend to maximize leverage

Become a customer of choice by limiting your preferred vendors and working closely with them. Don't oversaturate your travel networks with too many partnerships. Suppliers will spot this from a mile off.

Build in flexibility

Whether it's rail transport or working holidays to blend business and leisure, adding new and alternative travel options to your travel policies increases choice and makes room for last minute changes in the face of cancellations, strikes or limited availability.

Consider trip batching

Choose a specific region as a base and book multiple trips at once to help manage costs.

Think strategically

Purposeful travel balances value for money, employee well-being and environmental responsibility, supporting business objectives and allowing teams to thrive.

Look for the leaf

Minimizing environmental impact is an important element of sustainable travel. CWT's partnership with Thrust Carbon gives travel managers and travelers greater visibility into travel and transport providers with greener credentials.

Loyalty matters

Stay within your preferred supplier network and make it easy for employees to sign up for their loyalty programs. Form genuine partnerships with suppliers.

Methodology

Projections are based on:

- Econometric and statistical models developed by Avrio Institute that forecast future prices in the air, hotel, and ground categories.
- The market-specific expertise and travel industry knowledge of CWT and GBTA personnel worldwide.

About CWT

CWT is a Business-to-Business-for-Employees (B2B4E) travel management platform. Companies and governments rely on us to keep their people connected – anywhere, anytime, anyhow – and, across six continents, we provide their employees with innovative technology and an efficient, safe, and secure travel experience.
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About GBTA

The Global Business Travel Association (GBTA) is the world's largest business travel and meetings trade organization representing the $1.4 trillion business travel industry. With operations across four continents, GBTA's members manage more than $345 billion of global business travel and meetings expenditures annually. GBTA delivers world-class education, professional development, events, research, advocacy, and media to a growing global network of more than 28,000 travel professionals and 125,000 active contacts.
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Sources

- **Powering Adoption: Electric Vehicles Power Ahead:**
  McKinsey: Can the Automotive Industry Scale Fast Enough? 2022
- **Air Pricing snapshot**
  prices more than double in some markets to over $160/barrel according to S&P Global
- **Labor Shortages: Smarter ways of working**
  The UK saw 500 flight cancellations in a single weekend in June 2022
- **Advances in SAF**
  IATA reports 45 airlines now have experience with SAF and more than 350,000 flights have used it since 2016

Definitions

Midscale hotel
A midscale hotel is positioned between budget and luxury and offers some business and recreational amenities. It may or may not offer food and beverage services.

Upscale hotel
An upscale hotel offers luxury amenities, full-service accommodations, an on-site restaurant, and the highest level of personalized service, such as a concierge, room service, and clothes pressing service.