The cost of inaction:

Overcoming decision roadblocks

CORPORATE TRAVELER™

Internal factors leading to decision-making challenges

As corporate travel continues to grow as a strategic priority, it remains the largest controllable expense for businesses. Yet, with so many options and competing priorities, organizations are facing decision paralysis — getting stuck in an endless cycle of evaluation while losing sight of why they needed a solution in the first place. Whether selecting a travel partner for the first time or switching providers, delays in decision-making can lead to missed savings, inefficiencies, and the very challenges they set out to solve.

Balancing company values

Business travel is a balancing act—keeping employees happy, controlling costs, and maximizing ROI while addressing priorities like DEI and sustainability. The right choices aren't always clear. Should companies invest in carbon offsets or cut costs with budget airlines?

Many hesitate to switch travel providers, fearing disruptions, a steep learning curve, or integration issues. Security is also a concern, with data protection a top priority.

For small and medium-sized enterprises (SMEs), the stakes are even higher. With tightening budgets, every dollar needs to deliver value. While costs matter, the right travel solution saves time, cuts expenses, and boosts efficiency — outweighing the upfront investment.

Multiple stakeholders slow down processes

With input often required from multiple teams such as finance, HR, operations, and leadership, the decision-making process can slow down significantly. While collaboration is key, too many voices can make it harder to reach decisions quickly, especially when priorities don't always align. This is where having clear data, insights, and expert advice becomes crucial to speed up the process and build consensus.

Internal factors leading to decision-making challenges

What is decision paralysis?

**Decision paralysis occurs when the sheer volume of choices and competing priorities overwhelms travel buyers, making it difficult to move forward with confidence.
In travel, this paralysis can stall opportunities to drive growth, enhance productivity, and strengthen company culture.**

Amanda Vining,
Global Chief Sales & Customer Officer,
Corporate Traveler

Overwhelming responsibilities

Travel booking is often an additional responsibility for employees whose primary role lies elsewhere, such as executive assistants or finance teams. This leaves them without the expertise or time to effectively manage multiple choices like selecting preferred vendors, negotiating discounts, or ensuring compliance with company travel policies.

A lack of travel tech solutions can make the process even more cumbersome and lengthy for these time-strapped teams. By investing in the professional services of a TMC or outsourcing to a travel provider, organizations can access a wider range of flight and hotel options, streamline booking, easily track spending, and more.

Budget challenges

One of the biggest barriers to smarter travel management is budget. Leadership may not immediately see the value of having a dedicated team or platform in place for travel, especially when budgets are tight. But what's often overlooked is how these upfront investments can drive long-term ROI.

While it may seem more cost-effective to handle travel booking in-house, for example, partnering with a management company (TMC) can provide long-term benefits, like better deals with vendors and faster decision-making – not to mention freeing up employees from tedious booking tasks so they can focus on higher-level responsibilities.

External factors leading to decision-making challenges

Internal priorities aside, external macroeconomic factors fuel decision paralysis—making a strong TMC more essential than ever.

Rising prices

Inflation and economic shifts have driven airline prices up, with ticket costs rising **25%** in the past year—the biggest jump since 1989.[6] With tightened budgets, these rising costs add complexity to corporate travel decision-making, leaving organizations to answer difficult questions such as:

- Should we reduce travel "luxuries" such as business-class seating or airport lounges?
- How can we prioritize certain teams for travel opportunities?
- Should we explore alternative transportation to save costs?

Political and economic uncertainty

Businesses are reassessing the necessity and security of international travel amid global instability. Political shifts, economic uncertainty, and conflicts are adding new layers of complexity to travel planning. Questions that may arise include:

- Is travel to unstable regions essential?
- Can we keep up with shifting safety protocols and travel restrictions?
- Will new administrations in the U.S., Canada, and beyond impact travel access and cost?

Travel disruptions

Flight disruptions are on the rise: over **20%** of all flights were delayed in 2024, totaling 1,926,287 delayed flights.[7] Organizations need to prepare for these setbacks and determine who will manage rebookings or cancelations for hotels, airlines and other vendors, adding pressure to decision-making and raising questions such as:

- How do we support travelers facing disruptions?
- How can we keep productivity moving despite frequent delays?
- Who will be handling rebookings and cancelations with airlines, hotels, and other vendors?

> **From a business perspective, travel is essentially a commodity. Travel and Expenses (T&E) are the second-largest cost for most businesses, right after employee salaries. But it's not until a disruption occurs that people truly understand the value of effective travel and expense management.**
>
> John Morhous,
> Chief Experience Officer
> Flight Centre Travel Group

[6] Federal Reserve of St. Louis: https://fred.stlouisfed.org/series/CUSR0000SETG01
[7] FlightAware: https://public.tableau.com/app/profile/flightaware/viz/AirlineCancellationDelayUpdate/USAirlineCancelationsDelays

The cost of inaction

When companies stall on choosing a travel management solution — whether it's their first time or they're considering switching providers — they end up dealing with unnecessary headaches

Without a clear plan, booking becomes a hassle, costs rise, and businesses miss out on in-person opportunities to close sales. This is what we call the cost of inaction (COI), leading to:

- **Missed revenue opportunities:** Delayed in-person meetings extend sales cycles, reducing the likelihood of closing deals.
- **Customer retention challenges:** Inconsistent travel planning can harm client relationships, erode trust, and risk of losing key accounts.
- **Employee dissatisfaction:** Poorly managed travel experiences and unmanaged policies can increase staff turnover.
- **Wasted resources:** Unused travel credits and missed rate negotiations can compound financial losses.

Outdated or unmanaged travel strategies, such as relying on do-it-yourself booking, rigid travel policies, or disconnected systems, can lead to inefficiencies that ripple across your organization. Manual processes or a lack of centralized data might seem cost-effective but often lead to bigger headaches for your employees and managers.

The good news is that businesses don't have to make these choices alone. By gathering a team of stakeholders or consulting with a travel expert, teams can collaborate on decisions that bring value to the entire organization.

> **I always encourage buyers to think about: What is the cost of inaction if you don't make a decision on managing your corporate travel? Are you seeing higher turnover because employees are unhappy with their travel experience? Are you losing unused travel credits or missing opportunities to negotiate better deals? The cost of inaction can compound quickly.**
>
> Amanda Vining,
> Global Chief Sales & Customer Officer
> Corporate Traveler

Understanding and quantifying the cost of inaction: practical steps

Delaying a decision is still a decision, and inaction can lead to significant cost. Here are some practical steps you can take to effectively measure and communicate COI at your organization:

1. Identify areas of impact

Pinpoint where your current travel strategy is falling short. Are employees wasting time booking travel? Is poor communication during disruptions lowering morale? Are outdated systems exposing your team to risks like fraud or non-compliance? Mapping out these pain points provides a clear starting point.

2. Use data and benchmarks

Data is your best friend in understanding the scope of the problem. For example, compare your organization's travel costs, time spent on manual processes, or frequency of disruptions with industry benchmarks. Are your competitors using booking platforms while your team struggles with inefficiency in-house? Having concrete data makes the case for change much stronger.

3. Calculate key metrics

Quantify the tangible impacts of inaction, such as:

- **Lost productivity:** How many hours are wasted on manual booking or waiting on hold with airlines?
- **Increased expenses:** What's the additional cost of last-minute bookings or lack of negotiated rates?
- **Higher turnover:** How much is it costing to replace employees who leave due to dissatisfaction with outdated or overly restrictive travel policies?

4. Consider intangible costs

Beyond financial losses, inefficiencies impact employee morale, engagement, and retention? Could overly rigid travel policies deter top talent from accepting or staying in roles requiring frequent travel? These intangible costs are often overlooked but have a significant long-term impact.

5. Present scenarios

Use scenario planning to illustrate the potential outcomes of both action and inaction. For example:

- **Scenario A:** Implement a centralized booking system, leading to a **30%** reduction in manual tasks and a boost in employee satisfaction.
- **Scenario B:** Maintain the status quo, resulting in ongoing inefficiencies, higher turnover, and lost opportunities for savings.

6. Highlight opportunity costs

What's your organization missing out on by not taking action? This could include better-negotiated rates, improved compliance, or the ability to reinvest saved time and money into strategic initiatives. Understanding the COI reveals the true cost of staying stagnant in an evolving travel landscape.

By following these steps, organizations can move beyond short-term savings and focus on the broader, long-term benefits of modernizing their travel strategies.

Conclusion

As companies navigate the evolving landscape of modern business travel, it's important to remember that challenges also bring new opportunities. Corporate travel is no longer just about moving people from one place to another – it's about delivering ROI through stronger relationships, higher employee satisfaction, increased deal attraction, and more.

By investing in the right tools, expert partners, and tailored travel programs, businesses can make better decisions that aid the travel buying process. From negotiating better rates to minimizing downtime caused by delays, even the smallest choices can contribute to a more efficient, cost-effective travel program.

When business travel is managed thoughtfully and strategically, it becomes more than just an expense; it's a competitive advantage and a powerful tool for achieving long-term success.

Corporate Traveler has been providing travel management solutions globally for over 30 years. We offer our customers a unique service model that blends dedicated travel managers and user-friendly travel technology. We specialize in creating tailored solutions that meet the needs of startups and small to medium-sized enterprises, saving them time, money, and peace of mind. Our 24/7 support, exclusive deals, and personalized service make business travel simpler, faster, and more effective.

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