

The small business guide to smarter travel & cost control in 2025

With insights from John Van den Heuvel, President, Corporate Traveler USA



Setting the stage for smarter business travel



Foreword from John Van den Heuvel

Throughout my career working with business leaders, I've observed one constant: the smart decisions made during challenging times often become the foundation for future success.

2025's economy is full of contradictions. Early strength signals clash with inflation concerns. Global demand shifts daily. Some companies pause. Others surge ahead. Many businesses are asking themselves how they can navigate uncertainty without cutting off growth.

But here's the constant: travel remains essential. For businesses, it's the lever that turns opportunity into outcome.

At Corporate Traveler, we understand that our role extends far beyond simply booking flights and hotels.

We're here to help you cut through complexity and uncertainty. Our mission is to ensure every journey serves a clear purpose, every expense delivers value, and your entire travel program aligns with broader business objectives.

With the continuously evolving travel industry, smart adjustments to your travel policy and program can help your business stay cost-conscious, competitive, and ready for any travel curveballs.

Let's get into it.

John Van den Heuvel, President, Corporate Traveler USA



A smarter path through uncertainty

Rising costs. Geopolitical shifts. New business models. Businesses face pressure from everywhere. The big question: how do you stay nimble and budget-smart while still growing?

At Corporate Traveler, we see travel as the solution, not the expense. When travel is done right, it drives revenue, builds relationships, and unlocks success. This guide shows how businesses can make travel work harder for their business whatever the economy throws at them.



Travel isn't a sunk cost; it's a growth lever. But it needs structure, support, and a clear link to outcomes.

- John Van den Heuvel.



Assessing the volatile 2025 business landscape

2025 opened with optimism for the travel industry, and Corporate Traveler bookings for January to April were up 17% year over year (YOY). In the last few months, has that tone shifted? The answer is both yes and no.

Corporate Traveler has seen a 13% YOY increase in the number of travelers and a 17% increase in total trips vs. 2024. This upward trend is present in the

broader market as well. A survey by Tourism Review News of 500 business travelers in March reports demand for travel remains stable as **42% of companies plan to increase travel spending in 2025.**

Despite economic jitters early this year, corporate travel is showing good signs that it's not slowing down too much. Hyatt's business transient RevPAR jumped 12% in Q1 2025, a clear signal that companies aren't sacrificing face-to-face. While leisure travel flatlined, corporate customers kept moving, kept connecting, kept closing. Recent booking patterns show some slowdown compared to 2024, but don't be fooled by the numbers. Today's booking windows remain short-term and Hyatt believes bookings could accelerate as visibility into policy improves.

After early momentum in Q1, several macroeconomic signals are now adjusting expectations for business travel. Tariffs are the top concern, with 54% of business travel professionals concerned it will increase prices for everything from airplanes to hotel cleaning supplies. Visa or passport processing issues and traveler safety are also top issues for travelers right now.

Cautiously planning travel will likely be a key trend in the industry this year. Our travel experts suggest making choices that save money and allow you to travel as needed, with flexibility if business conditions change quickly again.



Six trends reshaping travel strategy in 2025:

- 1. Slowing economic growth:**
Economic growth is likely to be modest for 2025, partly due to job growth that's slower than in 2024.
- 2. Heightened uncertainty:**
There's hesitancy right now around making changes, taking on big projects, and an inability to forecast the future. Major airlines like United, Delta, and American Airlines have cut projected forecasts for 2025 due to reduced international demand and increased operating costs.
- 3. Decreased travel volume:**
In GBTA's March 2025 survey, 29% of global travel managers anticipate a decrease (whether US travel buyers or elsewhere) in travel volume this year, citing economic instability and geopolitical risk. The report states *"on average, those buyers expect their company's business travel volume will decline by 21% this year as a result of recent U.S. government actions."*
- 4. Competing, complex variables:**
Current economic concerns, including a potential recession, rising labor costs, inflation, and tariffs, are impacting business expenses across materials, labor, inflation, and travel. Finance leaders are taking a closer look at spending in preparation for higher costs in these areas to see where they can find savings.
- 5. Air travel fluctuations:**
Potential fare increases due to tariffs could cause costs to go up for businesses, while industry layoffs could mean slower response times and less support. Airlines may end up cutting back routes to offer fewer options. Reductions in travel from Canada and Europe could have the biggest impact. For travel to Latin America, Japan, and Southeast Asia, we haven't seen any changes.
- 6. New terms for hotel rates:**
Hotels are utilizing advanced revenue management tools to adjust pricing, such as LRA (last room available) and NLRA (not last room available). LRA means that if a hotel has only one room left, it still has to honor the rate. NLRA means they don't have to honor it and can adjust rates based on high or low occupancy. Many of Corporate Traveler's exclusive hotel programs are LRA, ensuring those great rates will be available to you, even in busy seasons.

Travel remains a core opportunity for competitive business growth, particularly in industries where success depends on in-person interaction. The challenge is how to take advantage of the benefits of corporate travel without accelerating cost or complexity.

What should your travel ROI be in 2025? In the face of price increases and economic changes, Corporate Traveler is still delivering significant ROI across our customers in all industries most notably:

\$1.53:\$1
for manufacturing

\$1.69:\$1
for oil and energy

\$1.70:\$1
for life sciences

\$2.11:\$1
for entertainment
(That's show business!)

“ **Markets shift. Regulations change. Supply chains evolve. That's why adaptability isn't just nice. It's necessary. What makes Corporate Traveler different is that our travel managers know the intricacies of your industry's travel just as well as you do. They don't just book trips. They help you navigate complexity. That's our edge.**

- John Van den Heuvel

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These trends are reshaping travel strategy at every level, but for small and midsize businesses, the impact can be more immediate and personal. When every dollar matters and every trip carries strategic weight, understanding how to adapt is critical.

Insider insight: While travel volumes across our customer base remained largely steady through Q1 2025, we're now seeing increased volatility by industry and region. In the latest GBTA survey, a large percentage of respondents in Latin America (52%) and Asia Pacific (40%) were optimistic about business travel in 2025. Less respondents in Europe (29%) and Canada (21%) were optimistic, and Americans were in the middle (32%). Sectors tied to international trade or capital markets are showing signs of softness, while life sciences, logistics, and professional services remain stable.





What this means for small and midsize businesses

In today's climate, companies will be weighing and evaluating what is truly essential to their business. For many businesses, travel is often both a top-line driver and a bottom-line risk. It's one of the top business expenses and an essential tool for sales, operations, and client retention that needs a clear ROI.

"For our customers, travel is rarely optional — but it does need to be optimized," says John Van den Heuvel. "The conversation is shifting from how much travel is happening to how it's being managed."

That's why the companies that adapt rather than cut will be the ones best positioned to grow. This means implementing smarter policy controls, gaining clearer visibility, and grounding decisions in data.

Several challenges are converging for SMEs:

- **Multi-tasking travel-arrangers:** With leaner teams or recent layoffs, travel is being relegated to staff who are new to the task and often on top of their other job duties. This added work is often assigned with very little guidance or training, increasing the risk of policy violations, and missed savings opportunities.

- **Reactive travel management:** Increased volatility and DIY travel management can mean that more trips are booked last-minute, outside of policy, or with no visibility into total costs. A centralized travel policy can help avoid these issues.
- **Cost-driven cutbacks:** Some businesses are freezing spending or reducing event participation, which may unintentionally stall revenue opportunities, including long-term ones. For travel buyers small programs (less than \$10 million in annual travel spending), about a third (31%) are expecting company travel to decline. However, there are plenty of other ways to find cost savings without sacrificing business trips that drive growth.
- **Weak tracking or reporting capabilities:** Using unmanaged online booking tools seems simple for one-off bookings but can hide missed savings and cost leakages. Basic reporting capabilities are needed for cost control, as well as safety and risk management.

Don't resort to full-scale cutbacks. With the right policy controls and support, businesses can protect high-value travel, eliminate waste, and even improve the traveler experience without extreme actions.

Bottom line? Avoid the false economy of cutting travel entirely. A well-managed program can both reduce costs and improve experience.



Preparing for business travel in an ambiguous economy

Economic turbulence has businesses rethinking travel. While volatility may lead to cost-cutting in some areas, travel remains a critical part of relationship building for sales and operations teams. *"Companies are seeing the need to be face to face, not because it's nice to have, but because that's where trust is built, deals move faster, and partnerships get stronger. In-person travel is no longer just about meetings; it's about momentum,"* says John.

Smart businesses can manage travel by evaluating the ROI on each trip, not just by simply tracking volume. A shift from quantity to quality is driving more strategic travel planning, with increased scrutiny on results and value. This demands cross-functional alignment from finance, sales, and operations teams to be fully aligned on goals.

SMEs in particular need support to keep costs in check. Want to do more with less? Partner with experts who spot and stop leakage. Real-time data matters. So does nimble thinking as markets swing and conditions shift.

Certain destinations and sectors may see reduced demand, especially where tariffs or regulations hit the hardest. But that doesn't mean there won't be a broader rebound. *"We've bounced back every time there's been any international or economic hit to the travel industry,"* John adds. *"Our expectation is that we will continue to see the corporate travel sector grow by a minimum of 10% and up year on year."*

Companies can lean into flexibility. Book refundable rates. Build more adaptable policies. Uncertainty may be the status of the market, but your travelers shouldn't feel it. Taking the burden of uncertainty off employees, with clear communication and thoughtful planning, will ensure they can focus on moving business forward with less distraction.

As economic ambiguity continues, the mindset shift must translate into smarter operational models. That starts with treating travel as a strategic input, not just an operational line item.



Travel as a strategic tool, not a fixed operational cost

When margins are under pressure and forecasts shift rapidly, travel can no longer be managed reactively. The companies seeing the most return from travel are those that treat it as a strategic, data-informed lever.

John explains that a strategic approach to travel can help contain costs without jeopardizing future opportunities. *"A lot of global organizations will see revenue trends coming in from one region but not from another. That's a key sign of where we actually would want to be focusing your program and continue focusing your program."*

Brett Copeland, Customer Success Director, reinforces this view: *"Where we really deliver value is policy compliance, consultation, and policy construction that aligns with your business objectives."* By partnering with a strategic travel management team that analyzes your program data, everything clicks into place. Your travel investments drive business goals where they should be regionally instead of just adding another expense.

Why now is the time for regional investment

Blanket travel cuts don't work in an uneven economy. Some markets are surging, while others are stalling. What works in California may not work in New York. What's cooling in consulting may be booming in tech hubs.

Boosting business efforts in areas that are already successful can have several advantages, like minimizing the effect of widespread economic trends. This focused approach can help you pool resources and gain a deeper understanding of local market needs.

"One of the clearest indicators of where to direct your travel investment is revenue performance by region or vertical. If you're seeing strong returns in the Northeast or in biotech, that's not the time to scale back. It's where you double down." John recommends aligning travel spend with revenue opportunity, whether that's customer acquisition, account growth, or market penetration.

For verticals like media, entertainment, and sports, strategic travel isn't just a nice-to-have—it's how outcomes are delivered.



In sports and entertainment, you're paying us \$10 to potentially save \$20,000. Our reporting shows you exactly which departments, whether it's talent scouts, production crews, or executive staff, need targeted travel guidance to maximize your budget.

-Julia Guinan, Director of Stage, Screen and Sports



Insider insight: Missed savings, traveler data, and custom tagging in Melon allow clients to isolate ROI by business unit and geography, so teams can direct travel investment where it's proven to pay off.



Precision and pivoting are paramount

John also encourages leadership teams to revisit assumptions monthly, not annually. Revenue slowdowns or client churn can signal it's time to hit pause or rethink in-person engagement.

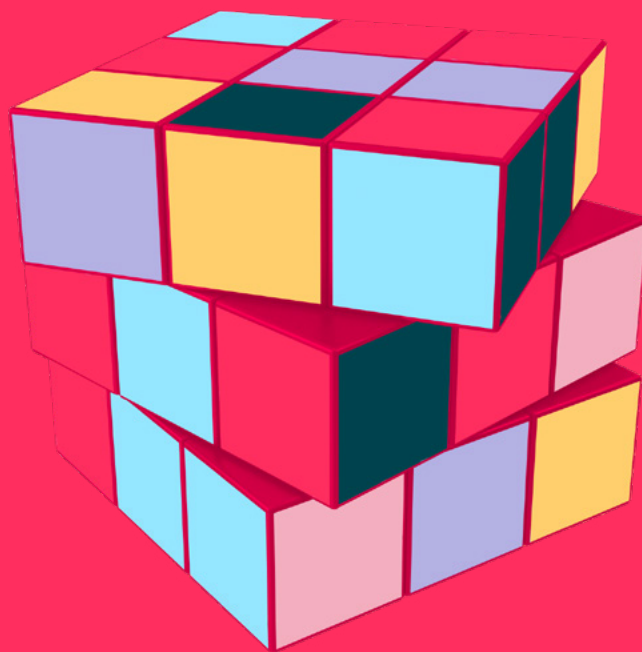


If you're seeing consistent softening over two quarters, whether that's pipeline or booked revenue, that should trigger a discussion. Are we sending teams to the right places? Is this travel still supporting business outcomes?



Insider insight: Strategic travel isn't about traveling less. Try focusing more tightly on the parts of your business that are growing. During challenging times, precision is what will separate companies that get ahead from those that get stuck.

So, what does putting all this into practice look like? Corporate Traveler can show you how to bring these strategies to life in real-world scenarios.



How Corporate Traveler helps you **travel smarter**

Don't know where to start? Our travel industry expertise is with you from the beginning, from creating a new policy to emergency support for each business trip. Enjoy flexible travel policy tools and program optimization that are customizable to your unique travel needs.

Craving stability? We deliver predictability to travel spending with robust reporting and data insights.

Pair policy with reporting for better savings

Your travel policy is so much more than a guide. It's a plan to keep business opportunities on track, balance your budget, manage updated travel requirements, and maintain traveler well-being.

Got a gap between travel plans and travel reality? Advanced reporting can provide insights into where your travel program has opportunities to save by making simple adjustments.

Customers often miss savings for three reasons, and we've tried and tested solutions to match.

- 1. Timing conflicts:** Only **31%** of bookings are made more than 30 days out from the travel date, and it can add up. Are you booking airfare within the best window? Is your approval process slowing down your travelers from booking lower fares? If last-minute trips are the norm, consider options like flexible fares. We benchmark everything on cost per mile, so all expenses are broken down to a per mileage cost.

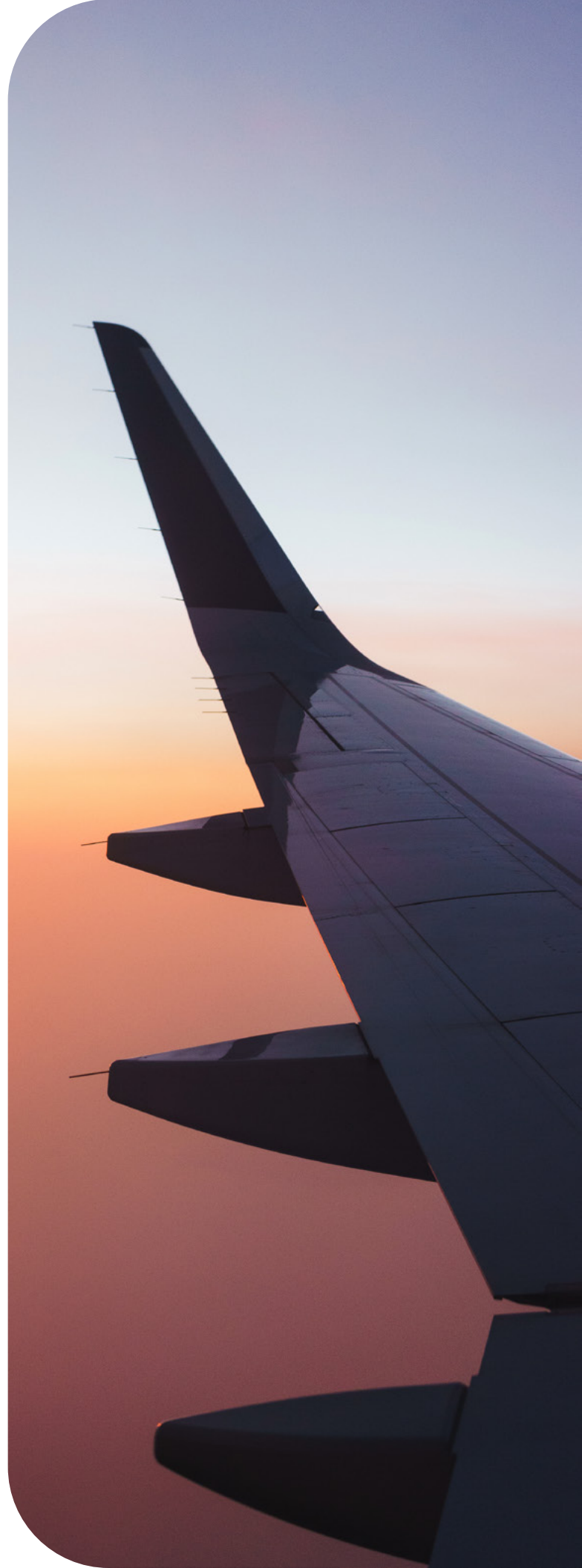
- 2. Airline preferences:** Reticketing offers hidden savings through our industry access to unpublished rates, waivers, fare monitoring, and knowledge of booking routes. Corporate Traveler tracks all savings that we deliver to customers, so you can see the results in your program.

 **>\$7 million**
in savings from January to March.

 **ROI of \$1.79:1**
average delivered to customers from January to April 2025

- 3. Shorter Travel Time:** Direct flights and short layovers keep your team fresh and ready to perform—but they come at a premium. This traveler preference was the #2 reason for missed savings in 2024, totaling **\$1.3 million** (or \$358 per trip) across Corporate Traveler customers. The key? Balance. While talent needs to arrive rested, not every trip requires the most expensive routing. Our Travel Managers bring years of industry expertise to this delicate equation, identifying when alternative options make better business sense.

Insider insight: Monitoring fares is more complicated than it looks. We apply years of experience with live airfare inventory to bring businesses more savings, whether it's knowing when it's the last seat or combining airfares. When prices are high, you may feel you need to book right away before costs go higher or sell out. But Corporate Traveler can continuously monitor and reissue the ticket at the lower rate. For example, we saved a client **\$17,000** on a single first-class international booking, just by having a Travel Manager double-check pricing. This happens all the time at Corporate Traveler. A little bit of magic, no hidden fees.



Step into strong supplier relationships

Corporate Traveler's strength in the market is all about relationships. As part of Flight Centre Travel Group, we're backed by a legacy brand with a global buying power of \$23 billion. Global scale and long-standing supplier partnerships give our customers access to competitive rates from day one.



You'll have access to exclusive, pre-negotiated deals, plus negotiated rates tailored specifically to your business based on your travel patterns and data. Hotel programs, for example, can often be up and running within two weeks using past data, so you see immediate savings and coverage.

Corporate Traveler gives you access to exclusive hotel programs designed for SMEs that are not available through self-booking or at other travel management companies (TMCs).

For example, the **Accor SME program** offers:

- 10% discount off the best flexible rates
- Complimentary breakfast is included
- 1040+ participating hotels globally (plus more added routinely)
- Eligible to earn loyalty points or recognition programs

We're not a startup figuring things out. We've been negotiating rates for decades, and we know how to move quickly when needed. Airlines typically require three months of live data before negotiating, but our relationships with carriers like Delta and United mean exclusive rates from the start.

Insider insight: With customer data like frequency, destinations, and timing, we can go beyond standard discounts and negotiate deeper, more localized deals. These custom arrangements can deliver 7-9% savings right off your bottom line. It's a simple equation: strong supplier relationships, plus smarter use of your data, equals better value and a more versatile travel program.

Of course, strong partnerships are only as effective as the people behind them. That's where our dedicated teams come in.

A dedicated team to demystify travel

Corporate Traveler customers get to work with a Travel Manager and receive customer success support for the best combination of travel expertise. Our staff have an average tenure of 8+ years, often with longer experience in the travel industry. It's the opposite of a call center environment, with no gaps in support.



Travel Managers get to know your business and optimize travel based on your individual business needs. Our Customer Success team can recommend best practices for future success, aligning existing destinations to our discount program on Day 1.

John points out that the advantages of working with a dedicated Travel Manager are even bigger right now, making sure you're not leaving money on the table. *"We've been working a lot with our preferred partners to assist industries that have to cancel reservations or cancel initiatives. They've had conferences or on-site*

visits that previously would have been nonrefundable or unchangeable," he says.

Corporate Traveler can look at a hotel program and see that customers have booked 1000 room nights in the Greater Dallas area over the course of 2024, spread over 100 different properties. By consolidating that spend in five or six different properties, we're going to have a lot more buying power in order to negotiate a discount with each of the properties. That is an example of what a customer savings strategy brings to cost savings.

Travel tip: Are you spending more than you need to due to unmanaged travel or booking errors? Our customers save 18% per trip on average. Find out how you could be saving more on travel.

Let's go!



Remix your business travel plans for renewed success

We've looked at trends, tools, and tactics. Now, let's pull it all together with a new lens on what smart travel can mean in 2025 and beyond.

In 2025, many areas of business are going through a reset, but travel shouldn't be sidelined. It should remain part of the strategy. Travel programs are the link that holds together customer relationships, team cohesion, and expansion plans. Rethinking what you get from travel doesn't necessarily mean doing less of it. Approach travel management with greater purpose and more data-informed decisions.

Think on this: companies that thrive now will be the ones that adapt with intention. This means using travel as an avenue for sustainable growth. To do this, ask better questions about ROI and connect internally across teams. As John puts it, "You don't need to freeze travel. You need to make it work harder for you."

Often the reactions to a challenging time push forward fast improvements that can dramatically change an industry. If businesses are approaching travel more strategically, finding ways to pivot, and focusing on regional solutions, these are all capabilities that will enhance future travel planning.

Corporate Traveler remains committed to staying ahead of the curve and helping businesses adapt to emerging trends by optimizing their travel programs. We're ready to answer any questions or concerns you have about the evolving travel landscape.

Business travel has proven to be a strategic lever for growth, and timely insights with expert guidance can help businesses turn every trip into an opportunity for long-term impact. Key qualities like resilience, innovation, and creative problem-solving will help along the way.

Our customers are leading the way in this new phase of business travel: embracing smart travel solutions, getting the most out of new technology tools, and navigating change with agility. We appreciate that you put your trust in us and look forward to supporting your continued success in 2025 and beyond!

