# Travel Management Is Strategy

## Idea In Short

Stop reviewing travel as an expense line and start reviewing it as a set of decisions about where people need to be. Before approving a trip, state what it must achieve and who must attend in person. Fund client-facing work and site visits first, price the full trip instead of the cheapest fare, and book teams in one room block near the venue. Name who handles changes, agree a communication plan and identify backup options before departure. After every major trip, ask whether it met its objective, what made the work difficult and whether the location suited the task. Use those answers to judge spending against business outcomes, not against last quarter's total.

Most companies can say, to the dollar, how much they spent on travel last quarter. Few can report what the money achieved. The expense report lists flights and hotel stays, but it does not show which trips closed a deal or how long the company kept funding a project that had already stalled. Corporate travel management belongs in strategic discussions for that reason. Every travel decision allocates money and employee time toward a specific goal, and together those decisions determine how often a company is present where its customers and projects need it. That applies as much to a single sales visit as to a group hotel booking for a regional training week.

## Purpose and priorities

A travel strategy begins by defining what each trip is meant to achieve and who must be physically present to make it happen. Without that definition, approvals default to habit, and habit tends to favor whichever department submits requests most frequently. The latest industry research adds context for the choice. Deloitte's 2026 Corporate Travel Study found that U.S. companies are directing their limited extra travel spending toward trips tied most closely to revenue and delivery, which means sales, client project work, client relationship building and on-site visits. The same survey found that spending on conferences, training and internal meetings is growing more slowly. It also reported that spend rose 12 percent

while trip volume rose 6 percent, so each trip now costs more, and that 45 percent of companies mandate lower-cost flights. When prices rise faster than trips, every approved trip carries a higher price, and a clear purpose becomes the only reliable filter. Leaders who establish priorities in advance can explain those trade-offs, whereas leaders who neglect that step will discover them later in the budget.

### What a budget reveals

A travel budget tells you which in-person activities a company is willing to fund. Launching operations in a new state requires implementation trips, while serving clients spread across the country requires sales visits. Two budgets with the same total can reflect completely different strategies. One funds a build-out that will end, and the other funds a relationship network that must be maintained every quarter. The total alone cannot tell the two apart, which is why a single cost figure misleads.

### What the evidence suggests

A 2025 GBTA and ASTA study analyzed more than 3,200 U.S. companies and found that those with low policy enforcement reported about 30 percent higher revenue than those with none, while moderate or high enforcement was associated with a smaller gain of about 17 percent. The authors measured enforcement through self-reports and did not measure compliance, so the numbers describe association and not proof of cause. The study also found that a 1 percent rise in travel and entertainment spending is associated with a 0.20 percent rise in revenue. Read together, the results suggest that deciding where travel matters most is more useful than deciding how much to cut. Heavy enforcement did not show the largest gain, and that pattern argues for judgment over blanket restriction.

## Team travel

Strategic decisions grow more complex when several employees travel together. Flight connections must fit hotel availability near the event venue, and the hotel becomes the top priority because it determines transportation and work schedules. A single block of rooms near the event keeps everyone on the same timetable and simplifies the finance department's review. Scattered rooms do the opposite: they create separate bookings, separate transport plans and separate questions at expense time. A group that arrives in one place also starts work together, which matters when the first session begins early and a late arrival affects everyone. Platforms such as Engine cater to this need. Engine states that

most groups hear back from hotels the same day and quotes savings of up to 22 percent off public rates, with the amount depending on the property, dates and event. Its group bookings generally start at 10 or more rooms, so smaller teams should check whether they qualify before they plan around the discount.

## Calculating the total cost

The cheapest rate rarely produces the cheapest trip. A low-cost flight often involves a long layover that forces the traveler to arrive a day early, which adds a hotel night and meals to the bill. The same logic applies to a hotel far from the workplace, because daily transport time and cost erase the saving on the room rate. It applies equally to a non-refundable booking for a project that needs flexibility, since a change of plan turns the discount into a loss. Policy ceilings follow the same reasoning: the General Services Administration [GSA] sets maximum per diem rates for lodging and meals on federal travel, with a standard rate for most of the continental United States and individual rates for about 300 non-standard areas.1 A company can borrow that idea by setting limits that reflect the destination, not a single flat number. Deciding with the whole trip in view prevents savings in one line from appearing as costs in another.

## Unforeseen events

Travel always involves surprises such as flight delays, missed connections and booking errors, and in a tight schedule even a small setback can have serious consequences. The Bureau of Transportation Statistics [BTS] counts a flight as on time only if it operates less than 15 minutes after its scheduled time, and it sorts delay causes into five groups: air carrier, extreme weather, national aviation system, late-arriving aircraft and security.2 Most of those causes lie outside the traveler's control, so planning has to assume that disruption will occur. The International Organization for Standardization [ISO] offers a structured approach in its travel risk management guidance, which covers developing and reviewing travel risk policy, assessing risk and designing prevention and mitigation measures for organizations of any size.3 A team does not need a full program to benefit. Before the trip, settle three things in advance:

- Assign responsibility for travel changes
- Establish a communication plan
- Identify backup options before departure

Preparation does not prevent disruption, but it lets the team respond promptly and in an organized way instead of improvising on the spot.

## Review and lessons learned

Travel data becomes valuable once it is linked to real business questions. Booking and expense records show what a trip cost, and a short review shows what it delivered. A brief conversation after each major trip is sufficient to begin the practice. Three questions give the review its structure:

- Did the trip achieve its objective
- What made the work difficult
- Was the location appropriate for the task

Answers to these questions help a company evaluate travel cost and business outcome together. Repeated across trips, they reveal patterns such as a venue that always strains the schedule or a trip type that rarely meets its goal. Those patterns feed the next round of priorities and close the loop between purpose and result. The review also gives travelers a voice, since the people who made the trip know best which part of the plan helped and which part got in the way. A company that records those answers builds a small body of evidence over a year, and that evidence is more persuasive in a budget meeting than a general claim that travel matters. Finance departments gain a dependable basis for approving subsequent requests, and travelers gain confidence that the approval process rewards trips with a well-defined purpose.

## Reading the quarterly report differently

Return to the quarterly report from the beginning of this article. The most useful question is not the total cost of the trips but whether the way the company organizes travel helps people achieve what they set out to do. A report built around that question lists objectives and outcomes next to flights and hotels. For team trips, the question starts with where everyone is staying, and group bookings are the first step toward better options and more affordable rates. The company that asks both questions gains a view that the expense line alone cannot provide. Over several quarters, the answers show which trips earn their cost and which ones deserve a second look.

- 1Per diem rates | GSA
- 2Airline on-time performance and causes of flight delays
- 3Travel risk management - Guidance for organizations

## Summary

Most companies know what they spent on travel, but few can say what the spending achieved. Treating travel as a strategy question closes that gap. A clear purpose for each trip directs limited money toward client-facing work, site visits and the people who must attend in person. Total cost, not the lowest fare, shows what a trip really costs, and one room block near the venue keeps teams on schedule and simplifies finance review. Preparation for disruption lets teams respond in an organized way. A short review after each major trip links booking and expense data to business questions, so the next quarterly report can show results alongside costs.