

Group sees business travel recovery by '26



Source: Global Business Travel Association

The global business travel industry continues its progress towards full recovery, however an industry watching group is warning that macroeconomic conditions deteriorated rapidly in early 2022 affecting the timing, trajectory and pace of business travel's recovery.

In its 2022 outlook completed recently, the [Global Business Travel Association](#) pushed the full recovery forecast into 2026 instead of 2024.

The latest *2022 GBTA Business Travel Index Outlook – Annual Global Report and Forecast* published by GBTA and Mastercard is an annual study of business travel spending and growth covering 73 countries and 44 industries.

“To understand the headwinds that have been impacting a more accelerated recovery for global business travel, all you have to do is look at the news headlines since the beginning of 2022. The factors impacting many industries around the world are also anticipated to impact global business travel recovery into 2025. The forecasted result is we’ll get close, but we won’t reach and exceed 2019’s pre-pandemic levels until 2026,” said Suzanne Neufang, CEO, GBTA in this week’s announcement.

The 2022 Business Travel Index (BTI) also reveals insights from GBTA’s recent surveys of global finance executives and business travelers. It also explores new and transformative factors in global business travel in the areas of sustainability, workforce dynamics (including remote work and blended travel or “bleisure”), and technology adoption.

Highlights from the latest BTI Outlook (in US dollars):

- Total spending on global business travel reached \$697 billion in 2021, 5.5 percent above the pandemic-era low of 2020. Last year was nearly as challenging as 2020 for the global business travel industry, as it sought to carve out a “normal following” the Covid-19 pandemic. The industry gained back roughly \$36 billion of the \$770 billion lost in 2020
- Recovery was short-circuited by the Omicron variant and spike in global Covid cases in late 2021 and early 2022. As case numbers began to retreat, business travel surged. Global

business travel spending in 2022 is expected to advance 34 percent over 2021 levels to \$933 billion, recovering to 65% of pre-pandemic levels.

- Recovery in 2022 was dependent upon and has been largely driven by improvement in the four factors of global business travel recovery – the global vaccination effort, national travel policies, business traveler sentiment, and travel management policy – where conditions have improved significantly in the last six months.
- Deteriorating economic conditions and shifting secular trends in 2022, however, have slowed global recovery. Hence, global business travel will almost reach pre-pandemic levels in 2025, reaching \$1.39 trillion.
- Global spending is not expected to make it fully back to the \$1.4 trillion dollar mark until mid-2026, when it is forecast to reach \$1.47 trillion dollars. This adds an estimated 18 months to the industry’s recovery than was forecast in the previous GBTA Business Travel Index released in November 2021.
- The 2022 BTI finds the biggest obstacles to more accelerated recovery in global business travel are persistent inflation, high energy prices, severe supply chain challenges and labor shortages, a significant economic slowdown and lockdowns in China, and major regional impacts due to the war in Ukraine as well as emerging sustainability considerations.

Global business travel spending is expected to gain 33.8 percent in 2022, however, differences are anticipated across the world’s top business travel markets. The timing and pace of the recovery will continue to vary significantly from one region of the world to the next, as evidenced in 2021.

- North America led the recovery in 2021 – driven largely by rapidly returning domestic travel. Western Europe was the one region to witness spending declines last year as Covid-19 impacted its domestic and regional business travel market. Both regions are expected to experience the sharpest recoveries with compound annual growth increases of 23.4 percent (to \$363.7 billion) and 16.9 percent (to \$323.9 billion), respectively by 2026.
- Business travel spending in Latin America grew modestly in 2021 as the vaccination effort got off to a slower start. While there may be challenges in this region over the next few years, 55 percent growth in spend in Latin America is forecast for this year as business travel recovers to 83 percent of pre-pandemic totals.
- Asia Pacific helped lead the industry in terms of recovery of spend in 2021– particularly in China. This reversed in 2022, as China’s Zero-Covid policy led to wide-scale lockdowns and other countries in the region only slowly opened up. For 2022, a solid increase of 16.5 percent (or \$407.1 billion) in spending is expected in APAC (held back by China at 5.6 percent, or \$286.9 billion), with the region recovering to 66% of pre-pandemic levels by the end of 2022.

In July 2022, GBTA surveyed more than 400 frequent business travelers and nearly four dozen executive travel budget decision makers across four global regions. Overall sentiment is positive, but also confirms Covid concerns are taking a back seat to current macroeconomic and geopolitical issues.

- 85 percent of business travelers surveyed said they definitely need to travel to accomplish their business goals. Over three-fourths said they expect to travel for work more or much more in 2023 than they did in 2022.
- 84 percent of senior global corporate finance professionals voiced confidence their travel spending would somewhat or significantly increase in 2023 compared to 2022.
- 73 percent of business travelers and 38 of 44 senior global financial executives agree inflation/rising prices will impact travel volumes.
- 69 percent of business travelers and 33 of 44 global financial executives are concerned a possible recession will impact travel.
- 68 percent of business travelers and 36 of 44 financial executives expect Covid infection rates ²

and variants to have an impact on their travel.

GBTA members can download a full copy of the BTI Outlook on the GBTA members-only hub. The report was conducted in partnership with [Rockport Analytics](#), a research and analytical consulting firm.