Forecast

2040 : BASELINE, BOOM, OR BUST

GBTA | CWT

Forecast

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EDITORIAL

As we enter an era of rapid transformation and unprecedented challenges, it is essential for travel managers, meeting & event planners, and corporate decision-makers to look ahead and frame our current strategic thinking with a clear vision of the future. Business travel and meetings and events (M&E) are poised for significant change over the next decade and a half, driven by a complex interplay of sustainability goals, technological advancements, evolving work models, and geopolitical dynamics.

In this paper to mark the 10th anniversary of our Global Business Travel Forecast, we explore, for the first time, a long-term vision of the future and potential trajectories through three distinct scenarios, each offering insights into how these forces should affect policy-making, budgeting and priorities. By examining these scenarios, we can better understand the diverse possibilities that lie ahead and the strategic imperatives required to thrive in each potential future.

Based on trajectory data analysis and interviews with industry leaders, behaviorists and climate tech founders, this forward-looking approach enables us to anticipate changes, strengthen our strategies, and make informed decisions that align long-term objectives. It is through this lens of foresight and adaptability that we can build resilience, seize opportunities, and navigate the complexities of the future.

We invite you to reflect on the insights presented, and consider how your organization can prepare for the opportunities and challenges that lie ahead.

Together we can ensure that travel and meetings remain catalysts for growth, scalability and sustainable practices.

SCENARIO DEVELOPMENT

IS BOTH AN ART AND A SCIENCE

L eaders must prepare for a range of potential futures and incorporate agility into their strategic planning.

One effective approach to preparing for uncertain divergent outcomes is by examining different scenarios. To this end, the future is envisioned through three distinct scenarios: boom, baseline, and bust.

Each scenario provides an analysis of how key megatrends may influence the trajectory of the next two decades.

By exploring these intersections, we gain insights into potential futures, not to predict, but to provoke strategic thinking and highlight the planning required to navigate effectively. **The aim** is to illuminate the trade-offs and implications of different megatrends, acknowledging that trends will interact to create new paths and scenario development is both an art and a science.

The analysis frames the potential influence of climate change, digital transformation, disruptive technologies like AI, labor and skills shortages, demographic shifts and geopolitical volatility on the evolution of business travel and meetings. This encompasses aspects like revenue generation, employee engagement, and other key metrics such as cost, carbon emissions, and employee wellbeing, providing valuable insights into how organizations can adapt and thrive.
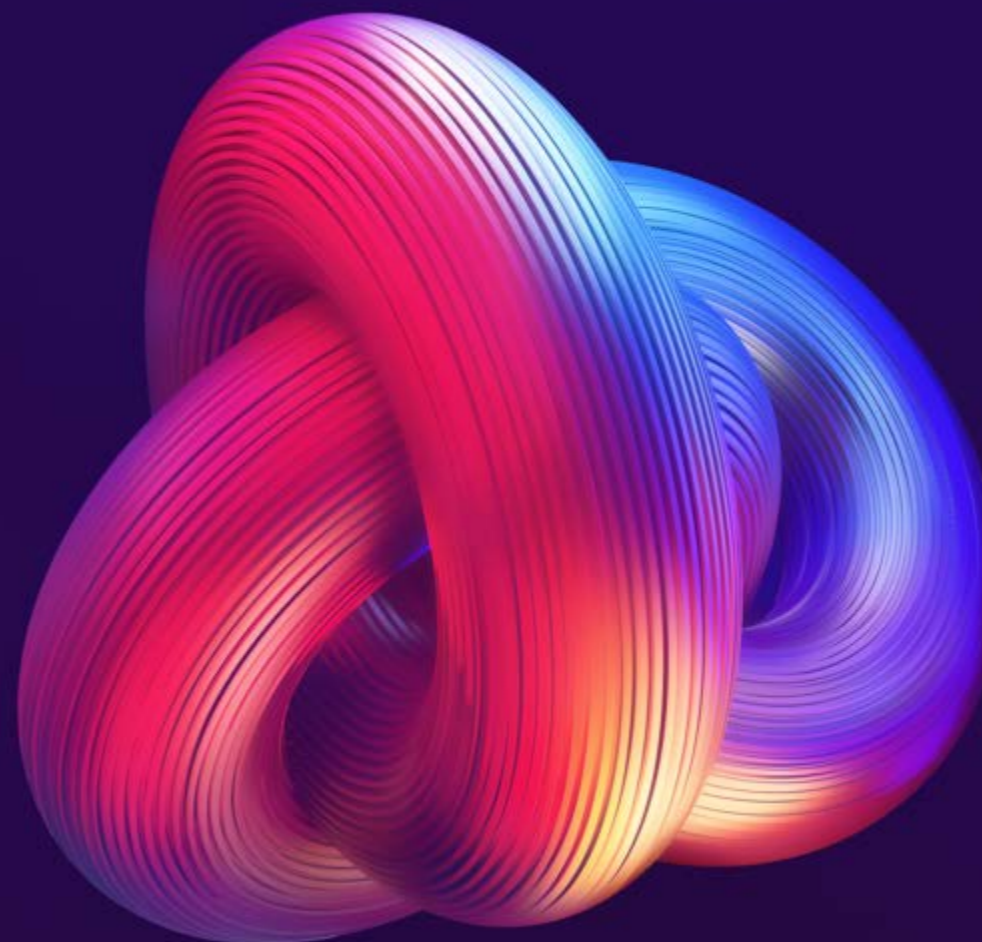
TOMORROW TODAY

BASE SCENARIO
- Business travel stabilizes at a moderate level, with over 1 billion passengers by 2040.
- Nearly 18% of the global workforce engages in business travel, driven by a balanced approach to sustainability and technology.
- Essential trips are prioritized, with virtual meetings enhancing efficiency.

BOOM SCENARIO
- Business travel experiences robust growth, reaching over 1.2 billion passengers by 2040.
- Nearly 22% of the global workforce participates in business travel, reflecting the sector's expansion.
- Companies fully integrate sustainable practices and advanced technologies, fostering a vibrant travel ecosystem.

BUST SCENARIO
- The growth of business travel slows significantly, reaching around 800 million passengers by 2040. This growth rate over the next 20 years is a mere fraction of what has been observed over the past 20 years.
- Heightened sustainability pressures and technological advancements reduce the need for physical travel.

STRATEGIC IMPLICATIONS
- The scenarios underscore the need for adaptable, forward-thinking strategies to navigate future business travel.
- Emphasizing sustainability, leveraging technology, and anticipating demographic and geopolitical shifts are crucial.
- By planning for diverse futures, organizations can build resilience, seize opportunities, and ensure long-term success in the evolving travel landscape.

MEGATRENDS SHAPING

THE FUTURE OF BUSINESS TRAVEL, MEETINGS & EVENTS

F rom green goals to aviation innovation.

Business travel is being transformed by a confluence of factors influencing decision making, resource allocation, and strategic planning.

These shifts are driven by broader societal, technological, and economic changes.

By exploring these underlying forces, business leaders can better anticipate the challenges and opportunities that lie ahead.

SUSTAINABILITY GOALS
THE NEW CRUX OF CORPORATE POLICY

A s environmental impact increasingly drives consumer decisions, and in turn corporate policies, sustainability and eco-conscious travel are becoming significant factors in travel management decisions.

CEOs are investing in renewable energy sources, transitioning to circular business models, and increasing R&D funding for sustainable innovations. Sustainability goals' imprint on business travel will likely grow by 2040.

If this trend continues, companies will increasingly integrate sustainable practices into their policies to meet the expectations of environmentally conscious corporate travelers.

82% COMPANIES

have implemented carbon emission reduction initiatives (Ernst & Young, 2023)

69% GLOBAL CEOS REPORT

embedding ESG into their business strategies (KPMG, 2023)

25% OF BUSINESS TRAVELERS

are willing to refuse a business trip due to lack of sustainable travel options (SAP Concur, 2024)

ECO-FRIENDLY DESTINATIONS
ON THE RISE

C ompanies may increasingly favor destinations and services recognized for their sustainable practices.

Cities, and in turn travel service providers, are competing on sustainability objectives. This could drive a rise in eco-friendly hubs-cities, regions, or countries known for their commitment to environmental sustainability.

Consider Amsterdam's RAI Convention Center, which hosts 500 events annually and is implementing a plan to achieve carbon neutrality and energy self-sufficiency.

Such destinations offer state-of-the-art conference facilities powered by renewable energy, accommodations adhering to stringent eco standards, and eco-conscious incentives for businesses that choose them for meetings and events.
A stronger focus on regenerative travel, which goes beyond sustainability to actively improve the environment and local communities, may also emerge.

Today, European cities like Amsterdam, Copenhagen, and Oslo are leading sustainability efforts among global cities because of initiatives like Amsterdam's robust Climate Neutral 2050 Roadmap and Oslo's commitment to renewable energy production, green spaces, and sustained urban mobility which has helped earn it the title of "EV Capital of the World".
These cities could become preferred sites for international conferences and business gatherings, and promote green transport like electric vehicle rentals, micromobility solutions together with cycling paths, eco certified hotels, and venues equipped with energy-efficient technologies and zero waste policies.

SUSTAINABLE AVIATION FUEL (SAF) TO DRIVE PASSENGER DECISION-MAKING

Airlines are poised to invest heavily in transitioning to sustainable aviation fuels (SAF) to reduce carbon emissions.

SAF, derived from renewables such as waste oils, agricultural residues, and even CO2 captured from the air, are rapidly gaining traction. In 2023, SAF production reached over 600 million liters (or 3.7 million barrels), doubled from 2022, and is expected to triple by 2024. SAF can reduce CO2 emissions by up to 80% compared to traditional jet fuels. Major airlines have begun incorporating SAF into their operations, with some flights already powered by these alternatives. SAF could become a critical factor in airline operations and passenger decision-making.

FUEL FOR THOUGHT

LISTEN TO A PODCAST ABOUT THE CURRENT AND FUTURE STATE OF **SUSTAINABLE** AVIATION FUEL ADOPTION **HERE**

ENVIRONMENTAL IMPACT SCORING IS FAST EVOLVING

Today many business travel programs evaluate environmental impact by estimating the square footage by the traveler.

Environmental impact scoring is a method that assigns higher environmental impact scores to higher classes of service, potentially conflicting with the need for business travel comfort. Future scoring methods could evolve to address this issue. For instance, new jets are more efficient than older models, suggesting that flying on newer aircraft could lower a business traveler's carbon score. By 2040, the age of aircraft may become a key factor in business travel bookings. Additionally, opting for direct flights could prompt airlines to rethink their traditional hub-and-spoke models.

GROUND TRANSPORT REPLACING SHORT-HAUL FLIGHTS

The adoption of electric vehicles (EVs) for ground transportation could become standard practice as the push for sustainable travel intensifies.

Furthermore, rail could increasingly replace short-haul flights, offering a more environmentally friendly mode of transport. In 2023, for example, France banned short-haul flights in an effort to curtail carbon emissions.

INVESTMENTS IN TECH INFRASTRUCTURE TO BOOST NON-ESSENTIAL TRAVEL

Driven by sustainability targets and regulatory pressures, corporations might increasingly turn to virtual meeting technologies to limit carbon emissions.

Advances in virtual reality (VR) and telepresence technologies could make virtual meetings more engaging and effective, offering realistic simulations of face-to-face interactions without compromising on the quality of collaboration and interaction.

For example, corporations might employ advanced telepresence rooms that mimic the physical presence of meeting participants from around the globe, complete with realistic audiovisual effects that replicate movement and speech in real time. Examples such as Google's Project Starline and Logitech's Project Ghost bring new depth to virtual interactions. These technologies could significantly reduce the need for travel, particularly for routine meetings or check-ins.

> "The hospitality industry is moving into an era that will bring more strategic actions to positively impact the planet, guest experience, and financial performance."
>
> Dina Belon-Sayre, President, Staypineapple Hotels

TRAVEL AND EVENT PATTERNS CHANGE IN BID TO REDUCE EMISSIONS

Businesses might strategically decrease travel frequency or focus on longer stays with fewer trips.

Additionally, the hybrid event model, which gained popularity in the aftermath of the pandemic, might expand.

By combining in-person and virtual participation, organizations could reduce the need for travel, supporting sustainability objectives.

Carbon taxes on air travel, stricter emissions regulations, or mandatory corporate sustainability reporting could all make travel less attractive and feasible, pushing companies toward alternatives or reducing travel frequency overall.

In all of these situations, data becomes key.

Business leaders will increasingly use real-time carbon tracking to inform reduction strategies.

"It will be second nature by 2040 to consider environmental cost alongside financial cost, and for many people, it will be a much bigger driver.""

Mark Corbett, CEO, Thrust Carbon

TECHNOLOGY REVOLUTIONIZES TRAVEL MANAGEMENT

Technology's growing influence on corporate operations will reshape business travel and events.

The integration of AI, VR and automation processes can streamline the entire travel process, making it more efficient and appealing for businesses and their travelers.

These advancements could also introduce viable alternatives to travel or change the necessity of certain trips.

"AI will simplify the process of booking trips, traveling, and managing expenses throughout the journey."

Amy Padgett, SVP, Center

AI AND BLOCKCHAIN TURBOCHARGE EFFICIENCY, EXPERIENCE AND COST MANAGEMENT

Artificial intelligence can optimize travel routes and costs in real-time, while automation processes reduce the administrative burden of managing travel.

AI will help travel providers optimize scarce resources like aircraft and hotel inventory, addressing key pain points.

For example, predictive maintenance and improved weather forecasts could reduce delays and cancellations leading to more reliable and predictable travel schedules, further encouraging business travel. Companies like Amadeus and IBM Watson are working on AI apps for travel optimization and resource management.

Blockchain could improve security and transparency in travel transactions, from booking to identity verification, reducing fraud and enhancing trust.

Biometric authentication technologies, such as facial recognition and fingerprint scanning will expedite check-in, security, and boarding processes, enhancing convenience and security.

$400 BILLION
the amount AI can add in annual value to the travel industry

McKinsey Global

TECH-TONIC SHIFT
Read our whitepaper to find out how to capitalize on emerging technologies in corporate travel HERE

INNOVATIONS IN AVIATION PROPEL FLEXIBLE BUSINESS TRAVEL

Aviation will advance dramatically by 2040. The rise of electric and hybrid-electric aircraft will make private flights more environmentally friendly and cost-effective.

Additionally, autonomous flight technology could lead to pilotless jets, further reducing operational costs and increasing safety. On-demand private aviation services will make private air travel more accessible and convenient.

This will allow executives to travel on flexible schedules, reach remote locations with ease, and maintain productivity in transit. Urban air mobility is set to revolutionize urban transportation and electric vertical take-off and landing (eVTOLs) will play a central role. Companies like Joby Aviation, Supernal, and Boeing subsidiary Aurora Flight Sciences are working on electric and autonomous aircraft, while platforms like JetSmarter and Wheels Up are making private aviation more accessible.

AUTONOMOUS TRAVEL TO TAKE OFF

Autonomous travel modes, such as self-driving vehicles can shift how travel takes place, impacting logistics and corporate travel policies.

These autonomous options could offer safer, faster, and more flexible solutions. As a result, businesses may be more willing to invest in travel for networking, client meetings, and other important engagements. Tesla, Waymo and Toyota are all developing autonomous vehicles, but many others are looking at how autonomous transportation can reframe corporate travel. Emerging transportation technologies like the Hyperloop could revolutionize speed and connectivity between cities.

MODERN WORK MODELS SPARK NEW TRAVEL PATTERNS

As corporate cultures evolve, new work models are emerging that could significantly influence business travel patterns.

The pandemic ushered in a period of remote work. Today, just under 11% of the U.S workforce remains fully remote while an additional 11.5% work remotely some of the time. The future of remote work remains highly debated. Major corporations like Disney, BlackRock, JPMorgan Chase, and Tesla have mandated a return to the office, requiring employees to work a minimum number of days onsite.

Meanwhile, many companies continue to face significant worker shortages, with millions of job vacancies in fields like healthcare, cybersecurity, and engineering.

These shortages have compelled companies to recruit broadly and offer flexible work arrangements to attract talent.

VIRTUAL TECH
COULD REMOVE THE NEED TO TRAVEL

Virtual reality will create novel experiences, such as preliminary virtual tours of venues or destinations enabling informed and targeted actual visits, potentially reducing the need for preliminary trips, but making essential travel more purposeful and efficient.

On the flip side, these same technologies could reduce the need for physical travel.

Digital twin technology allows businesses to create virtual replicas of physical assets, processes, and systems. This can facilitate remote monitoring and maintenance, reducing the need for physical site visits.

VR and AR could create immersive environments that mimic in-person meetings, allowing teams to collaborate and engage without the need to be physically present. This can be particularly beneficial for preliminary discussions, product demonstrations, and training sessions, and cutting down on travel costs and time.

Companies like Microsoft with HoloLens, Meta with its VR platforms, and HTC with Vive are already making strides in this area, providing tools that enable remote yet highly interactive experiences. Telepresence robots and advanced video conferencing technologies can also play a significant role in reducing the necessity for travel. These technolgies can facilitate high-quality, real-time communication and collaboration.

HP has partnered with Google to bring Project Starline out of the lab and into the workplace by 2025.

SURGE IN GIG ECONOMY POISED TO CHANGE THE FREQUENCY OF TRAVEL

Another major workforce trend is the rise of the gig economy characterized by short-term or freelance work.

The World Bank estimates there are already between 154 million and 435 million online gig economy workers globally, making up 4.4% to 12.5% of the global workforce.

The higher estimate includes those who engage in gig work as secondary or supplementary employment. As the gig economy expands, freelancers and contractors might travel more frequently for short-term projects and client meetings. Conversely, the rise of gig and remote work could lead to a model where physical presence for projects is less common, reducing business travel as more work is conducted online.

At the same time, research finds a 21% decrease in the number of job posts for automation-prone jobs related to writing and coding within eight months of ChatGPT's introduction, compared to jobs requiring manual-intensive skills.

AI could be eroding gig opportunities just as gig opportunities are growing.

80%

of large companies will significantly increase their use of flexible workers in the coming years (Intuit, 2010)

CORPORATE RETREATS AND MEETINGS BECKON A NEW ERA IN TEAM BUILDING

The adoption of global team meetings and corporate retreats is becoming popular to foster team cohesion and alignment.

Particularly for companies with geographically dispersed teams.

These events are often held in inspiring locations to combine work with team-building activities, which can boost employee morale and enhance collaboration.

This trend could lead to an increase in travel specifically aimed at strengthening corporate culture and facilitating strategic planning away from traditional office settings.

For example, a tech company with teams in multiple continents might organize annual retreats in locations like Bali or Costa Rica. These retreats not only serve to align and invigorate teams but also to leverage the local experiences that enhance creative thinking and bonding. Corporations might also gather teams around major corporate conferences.

This could extend trip lengths but reduce the total number of flights taken.

> **Business travel to conferences will increase in significance as they provide critical in-person interactions that can't be replicated virtually."**
>
> Dr. David Burkus,
> Business and leadership speaker and author

REMOTE WORK ALTERS TRAVEL PATTERNS

Flexible work policies are giving rise to the concept of "workations" and "bleisure" travel where employees blend work and vacation.

> **"The structure of business travel is going to change, the experience is going to change, and how we define value is going to change."**
>
> Mike Wake, VP of Product, Travelport

Such policies can lead to an increase in travel as employees take advantage of the opportunity to work from anywhere, thus driving demand for travel services and accommodations that cater specifically to remote workers.

However, these same flexible and remote work policies might also diminish regular business travel. As companies become more reliant on digital platforms for communication and collaboration, the necessity for physical presence diminishes potentially leading to a reduction in travel related to routine business engagements as more companies adopt a remote-first approach.

Flexible work schedules are also transforming travel habits allowing employees to travel outside traditional business hours and thus altering typical travel patterns.

The total number of digital nomads has ballooned to over 35 million, a trend that could negate the need for frequent travel. However, it could increase demand for flexible, short-term accommodations and co-working spaces at various destinations, transforming how and where business activities are conducted.

SPECIALIZED INDUSTRY TRAINING GIVES RISE TO NEW HUBS

To combat skill shortages, multinational corporations might establish training centers in various regions, providing local access to specialized training.

The growth of peer-to-peer learning platforms and professional networking sites might support more decentralized and on-demand learning opportunities, enabling professionals to acquire skills without extensive travel.

At the same time, certain cities or countries could emerge as centers of excellence for specific industries like technology in Silicon Valley or finance in London. Skill shortages combined with the further development of these specialized hubs could drive companies to send employees to these hubs for immersive learning experiences, networking, and collaboration, which can't be fully replicated online.

In industries where practical, hands-on experience is critical such as manufacturing, healthcare, or advanced engineering, companies may need to send employees to locations where they can gain direct experience with specialized equipment or techniques. For high-level positions, companies might prefer in-person training programs that offer not only skill development but also leadership and strategic thinking enhancements in settings that foster deep interpersonal connections and mentorship. While specific corporate events and workations might spur travel under new work models, the trend towards remote work could decrease traditional business travel that has been centered around office presence and frequent face-to-face meetings.

This dual impact reflects a complex and evolving relationship between work models and travel, shaping the future dynamics of how and why people travel for business.

CHANGING DEMOGRAPHICS OPEN DOORS TO NEW OPPORTUNITIES

Several key global demographic trends are poised to shape the future of business travel.

Firstly, global population growth is decelerating. Secondly, the global population is aging, particularly in developed countries. Finally, by 2040, Africa and Asia are expected to account for approximately 95% of all population growth. This significant shift highlights the potential for new opportunities for trade, investment, and economic partnerships.

> "Generational shifts and the drive for diversity will lead to more global collaboration, increasing the need for international business travel."
>
> Dan Chuparoff, AI & Innovation keynote speaker

On one hand, as companies face a shrinking pool of young talent entering the workforce, there may be an increase in travel aimed at recruiting and retaining skilled employees, requiring more frequent travel for job fairs, interviews, and retention programs.

Additionally, businesses might need to expand their geographic reach, necessitating more travel to explore opportunities abroad.

However, the overall demand for business travel might eventually decrease as fewer people join the workforce.

The global population is aging, particularly in developed countries, where a higher proportion of older adults could shift travel preferences toward accommodating senior travelers' needs. Tailored travel arrangements could become essential, necessitating better seating, accessibility features, and health-related accommodations.

Moreover, as the workforce ages, there might be an uptick in travel for knowedge transfer, mentoring programs, and succession planning. At the same time, older employees might prefer not to travel as frequently, leading to a decline in business travel.

25%
of the U.S labor force will be 55 years or over by 2029 (World Economic Forum, 2024)

AFRICA AND ASIA SEE HIGHEST RATES OF GROWTH

B y 2040, Africa and Asia are expected to account for approximately 95% of all population growth.

A demographic shift likely to increase business travel to these regions in line with travel infrastructure.

Emerging markets in Africa and Asia will present new opportunities for trade, investment, and economic partnerships, prompting businesses to expand their presence and operations in these areas.

As a result, companies will need to adapt their travel strategies to align with the evolving global demographic landscape, focusing on building relationships and capitalizing on the growth potential in these regions.

This could mean more frequent trips as well as tailored travel plans to navigate the unique challenges and opportunities presented by these rapidly growing markets.

GEOPOLITICAL VOLATILITY
CREATE RISK AND OPPORTUNITY

Global volatility is rising. In 2022, conflict-related deaths exceeded 200,000, the highest in decades, driven primarily by state-based armed conflicts.

The World Economic Forum reports 63% of leaders predict a turbulent outlook, with less than 10% expecting calm or stability over a 10-year horizon. Geopolitical volatility might necessitate more frequent business travel as companies seek to manage risks and adapt to rapidly changing conditions.

For instance, businesses with investments in volatile regions may require their executives or crisis management teams to travel more frequently to these areas to make quick, informed decisions on the ground.

This can involve negotiating with local stakeholders, overseeing the safety of assets and personnel, and navigating regulatory changes.

The presence of senior personnel can be crucial in demonstrating commitment to local partners and government bodies which can be vital for maintaining business operations amidst instability. Additionally, volatility can create unique opportunities for agile companies that are quick to adapt and can navigate the complexities of these environments.

Businesses might send scouts or specialized teams to explore emerging markets that arise from political shifts or economic openings, potentially leading to increased travel to assess and capitalize on these opportunities.

Conversely, increased risks and instability often make companies more cautious about sending employees into potentially dangerous situations. Companies might rely more on local partners or digital communication to manage their operations remotely.

This cautious approach can lead to a significant decrease in business travel to high-risk areas as part of a broader risk management strategy.

DE-RISKING SUPPLY CHAINS AND HIRING LOCALLY TO REDUCE TRAVEL

Companies might continue to de-risk their supply chains, a trend that began in earnest in the aftermath of the pandemic.

This could cause companies to hire locally in various regions, reducing the need for employees to travel internationally.

Recent research suggests 25% of global trade could relocate within just the next three years amid economic and geopolitical instability.

Moreover, the development of robust virtual meeting platforms and real-time data-sharing tools can facilitate the kind of immediate response and decision-making needed in volatile contexts, reducing the need for physical travel.

The interplay of global economic shifts and regulatory changes complicate the travel landscape. Changes in international law and trade agreements could critically affect corporate travel by altering logistics and compliance requirements.

For instance, new visa regulations or changes in cross-border trade laws can necessitate additional travel for legal and compliance teams to ensure that operations align with local mandates.

At the same time, changing visas regulations can also decrease travel outright by making business travel more cumbersome.

Economic shifts can also reshape travel budgets and policies, with companies bolstering their presence in emerging markets or retracting from regions deemed too risky.

This economic recalibration can lead to increased or decreased travel based on strategic priorities and regulatory landscapes.

THREE SCENARIOS

BASE CASE BOOM AND BUST

A variety of forces will shape how and why organizations traverse the globe.

The interplay of sustainability initiatives, technological advancements, geopolitical dynamics, and demographic shifts will create distinct pathways for the evolution of corporate travel. To navigate this complex landscape, we present three scenarios: A base scenario, a boom scenario, and a bust scenario. Each scenario reflects differing degrees of environmental consciousness, technological integration, and global stability.

BASE SCENARIO

Essential **in-person interactions** and **relationship-building** remain **key drivers of business travel.**

Companies balance **virtual** and **physical meetings,** leveraging **technology** to enhance rather than replace **face-to-face engagements.**

In the base scenario, business travel stabilizes at a moderate level, with gradual growth.

By 2040, the number of global business travelers will reach a little over one billion passengers, reflecting a steady increase from the current 2024 levels.

This moderate growth is attributed to a balanced approach to sustainability and technological integration, where businesses adopt eco-friendly practices and leverage advanced technologies to streamline travel.

The percentage of the workforce involved in business travel also rises, reaching nearly 18% by 2040. Companies prioritize essential trips and utilize virtual meeting technologies to enhance efficiency, resulting in a stable yet significant presence of business travel in corporate strategies.

Direct flights on efficient aircraft are preferred, but not all airlines and routes offer these options. Sustainable destinations remain popular for business events, but companies also choose less established green hubs as they emerge. The focus on regenerative travel grows, but it is not yet a dominant trend.

Businesses implement carbon offset programs, but the extent of these initiatives varies across organizations. AI and automation streamline travel management, but the adoption of VR and telepresence tech is more gradual. Essential in-person interactions and relationship building remain key drivers of business travel.

Companies balance virtual and physical meetings, leveraging technology to enhance rather than replace face-to-face engagements.

Demographic shifts drive moderate travel to emerging markets with businesses cautiously expanding their presence in high-growth regions. Travel for knowledge transfer and succession planning continues, but remote work and flexible policies reduce the frequency of routine trips. The rise of gig and remote work leads to fewer but more strategic trips.

Geopolitical volatility creates mixed impacts on business travel. Companies manage risk by combining local partnerships with advanced digital communication tools, reducing the need for frequent travel to more unstable regions. Economic shifts and regulatory changes influence travel budgets and policies, with businesses adjusting their strategies to align with evolving global conditions.

Overall, business travel remains a vital component of corporate operations, but it is more targeted, purposeful and efficient.

In the base scenario, business travel stabilizes at a moderate and sustainable level, with gradual growth driven by a balanced approach to eco-friendly practices and technological advancements.

By 2040, over one billion passengers will participate in business travel, reflecting steady progress from 2024 levels.

Companies prioritize essential trips and leverage virtual meeting technologies, ensuring a stable yet significant presence of business travel in corporate strategies. This scenario highlights a pragmatic balance between sustainability and the necessity of in-person interactions, with business travel remaining a crucial component of global corporate operations.

BOOM SCENARIO

Sustainable travel practices have become the norm, with **eco-friendly destinations** and **green tech** playing a pivotal role in **travel decisions**.

Geopolitical stability and **economic growth** in emerging markets create **new opportunities** for **trade** and **investment**, further boosting **business travel**.

In an optimistic "boom" scenario, business travel experiences robust growth with the number of global business travelers increasing significantly from 2025 onwards.

By 2040, the total number of business travelers exceeds 1.2 billion passengers, representing a notable rise from current levels. Under this boom scenario, nearly 22% of the global-workforce participates in business travel, highlighting the sector's expansion and the importance of in-person interactions. By 2040, business travel has experienced a significant resurgence, driven by the necessity for global collaboration in an interconnected world. Business travel is not merely about getting from one place to another; it is about creating meaningful, impactful experiences that align with corporate goals and individual preferences.

Sustainable travel practices have become the norm with eco-friendly destinations and green tech playing a pivotal role in travel decisions. AI has streamlined travel processes, making them more efficient and personalized, while the rise of remote work and flexible work arrangements have made "workations" and immersive corporate retreats the norm.

These trends paint a picture of a thriving business travel industry characterized by increased travel volumes, enriched experiences, and a stronger emphasis on sustainability and efficiency.

By 2040, companies have fully integrated sustainable practices into their operations. The widespread adoption of SAF significantly reduces the carbon footprint of air travel with SAF accounting for a substantial portion of aviation fuel use. Airlines and travel service providers compete on sustainability metrics leading to a proliferation of eco-friendly travel options.

Corporate travel programs prioritize direct flights on newer, more efficient aircraft, reducing environmental impact and enhancing traveler comfort. Eco-first destinations become prime locations for international events.

These cities offer comprehensive eco-certified accommodations, renewable energy-powered conference centers, and extensive green transportation networks, including electric vehicle rentals and micromobility solutions.

Businesses increasingly favor these sustainable hubs for their meetings and events, aligning their travel choices with corporate ESG goals. The rise of regenerative travel, which actively improves local environments and communities, further enhances the appeal of these destinations.

Technological advancements in AI, VR, and automation optimize logistics, and reduce administrative burdens.

AI streamlines the booking process, while virtual reality and telepresence technologies create immersive pre-trip experiences and realistic virtual meetings, complementing physical travel, and ensuring that essential in-person interactions are more purposeful and efficient.

The global demographic shift towards younger, more diverse populations in Africa and Asia drives increased travel to these regions. Businesses expand their operations and investments in these high-growth areas, necessitating frequent travel for market exploration, partnership building, and talent acquisition.

The aging workforce in developed countries prompts more travel for knowledge transfer, mentoring, and succession planning, ensuring the retention of critical expertise within organizations. Geopolitical stability and economic growth in emerging markets create new opportunities for trade and investment, further boosting business travel. Companies proactively manage risk by maintaining strong local partnerships and leveraging advanced telecommunications to monitor and manage overseas operations.

The interplay of global economic shifts and favorable regulatory environments supports robust business travel, fostering international collaboration and growth.

The boom scenario for business travel in 2040 presents a compelling vision of growth and innovation. The emphasis on eco-friendly options, the adoption of SAF and the prioritization of direct flights on efficient aircraft reflect a strong commitment to reducing environmental impact.

Emerging markets drive increased travel, supported by demographic shifts and geopolitical stability, fostering economic growth. AI, VR, and automation streamline travel processes, making business travel more efficient and personalized. Overall, this scenario highlights the vital role of business travel in a globally interconnected world, underscoring its importance in achieving corporate goals and facilitating meaningful in-person interactions.

BUST
SCENARIO

Business travel declines due to heightened **sustainability concerns**, **technological advancements**, and **geopolitical instability**

The push for **net-zero emissions** and strict **environmental regulations** compel companies to **reduce** their **travel footprint**

In the pessimistic "bust" scenario, a confluence of sustainability pressures, technological advancements, demographic shifts, and evolving work models leads to very slow growth in corporate travel.

While the number of business travelers rises under the bust scenario, reaching an estimated 800 million business passengers by 2040, the growth rate drops precipitously.

Business travel has risen nearly 150% by 2040 but business passenger growth increases just 35%. Moreover, by 2040, the percent of the global workforce participating in business travel is not that dissimilar from today, reflecting a significant shift towards remote collaboration and reduced physical travel. Business travel declines due to heightened sustainability concerns, technological advancements, and geopolitical instability.

The push for net-zero emissions and strict environmental regulations compel companies to reduce their travel footprint.

The adoption of SAFs and eco-friendly travel options is slow, limiting sustainable travel choices.

Corporations increasingly rely on virtual meeting technologies which offer highly realistic and engaging remote interactions. AI-driven automation reduces the need for administrative travel, while digital twin technology facilitates remote monitoring and maintenance, eliminating many physical site visits.

The demographic shift towards aging populations in developed countries reduces the need for travel as older employees prefer virtual interactions.

The growth of gig and remote work further diminishes travel demand, as flexible work arrangements and digital platforms become the norm. Businesses conduct more training and collaboration online, reducing the necessity for in-person meetings.

Geopolitical instability and economic uncertainty make international travel risky and costly. Stricter visa regulations, carbon taxes, and mandatory corporate sustainability reporting further deter travel, making it less attractive and feasible. The focus on sustainability leads to more stringent corporate travel policies, with organizations limiting travel to essential trips only.

Hybrid events become the standard to minimize travel, aligning with broader environmental goals. Overall, the slow growth in business travel reflects a strategic shift towards sustainability, risk management, and technological integration, fundamentally altering how companies operate and interact globally. In the bust scenario, business travel faces significant pressures. Companies focus on essential trips only.

This scenario underscores a fundamental transformation in corporate travel practices, prioritizing sustainability and risk management while adapting to evolving global conditions.

FUTURE-PROOFING

STRATEGIES

t is imperative for businesses to develop adaptable and forward-thinking strategies to navigate the future of business travel.

These strategies must account for the dynamic interplay of megatrends, ensuring organizations can thrive regardless of how the corporate landscape evolves.

Leaders need to maintain a vigilant watch on peripheral signals that suggest certain scenarios might unfold.
This involves closely monitoring trends, emerging technologies, regulatory shifts, geopolitical developments, and societal changes that could impact business travel in the years to come. By staying attuned to these signals, leaders can anticipate changes and adapt their strategies accordingly, ensuring that their organizations are not caught off guard by unexpected developments.
Leaders with foresight can thrive in the future regardless of which scenario emerges by planning for various possibilities, being adaptive, and fostering innovation.
A proactive approach enables organizations to build resilience and flexibility, allowing them to pivot swiftly in response to changing conditions, maintaining a competitive edge in an uncertain environment.

GET DATA IN ORDER

nvest in robust data collection, analysis, and management systems to gain actionable insights into travel patterns, preferences, and emerging trends.

By leveraging data analytics, companies can make informed decisions, optimize travel policies, and identify opportunities for cost savings and efficiency improvements.
Additionally, real-time data monitoring can help businesses stay agile and responsive to sudden changes in the travel landscape, allowing for swift adjustments to strategies and policies.
Real-time carbon tracking and sustainability goals rely on accurate, and comprehensive data to measure and reduce environmental impact. AI-driven solutions, essential for augmenting and automating processes, require data-rich, digitally defined workflows to function optimally. By leveraging data analytics, leaders can make informed decisions, streamline operations, and align corporate strategies with sustainability and technological advancements.
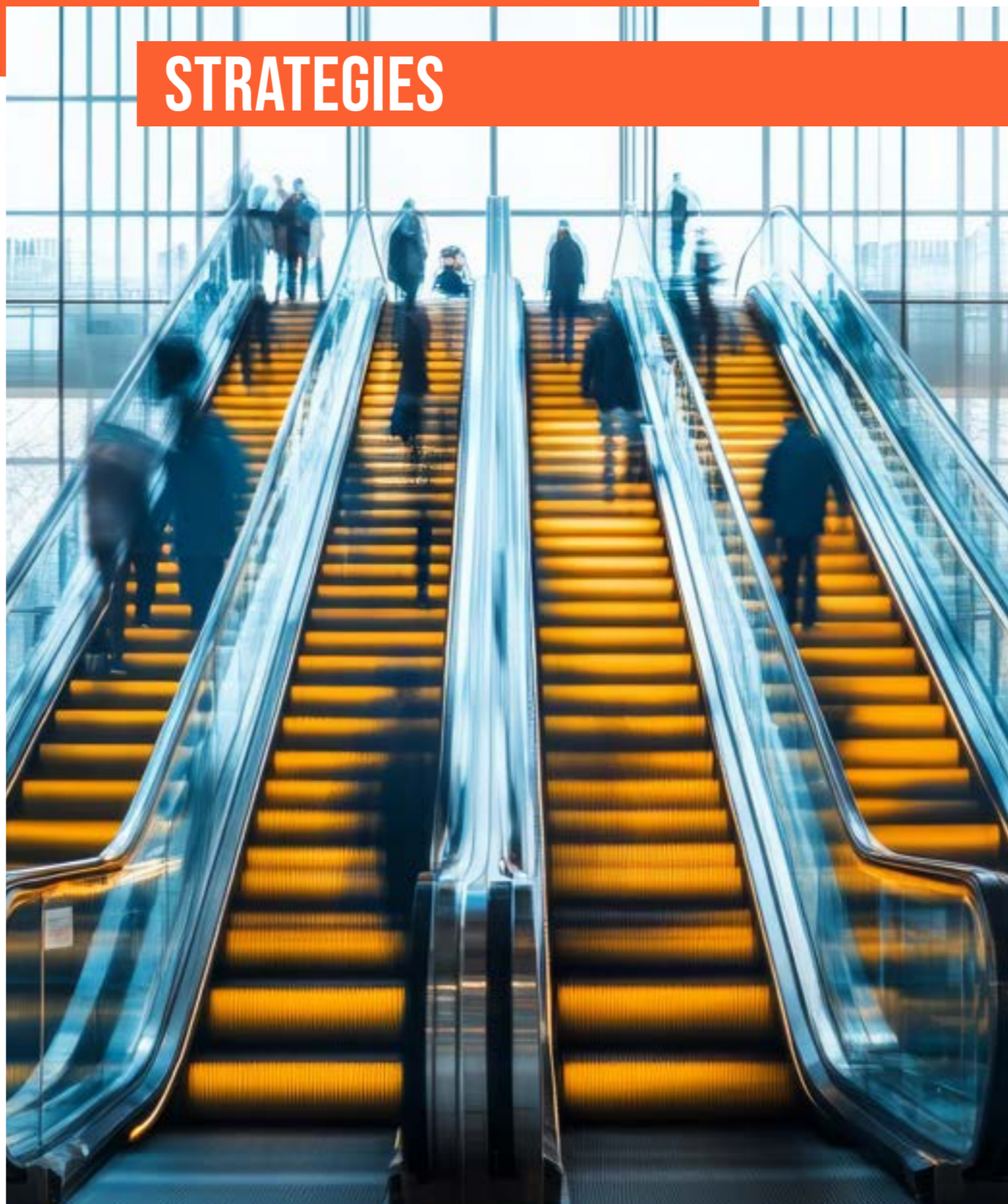
BUILD
STRATEGIC
PARTNERSHIPS

Building strategic partnerships
and fostering collaboration within
the travel ecosystem can provide a
significant competitive advantage.

For responding to changing travel dynamics and evolving future scenarios companies should seek alliances with travel service providers, technology firms, and industry associations to gain access to cutting-edge innovations, share best practices, and co-developed solutions that enhance the travel experience. Collaborative efforts can also lead to the development of more sustainable travel options, improved customer service, and greater operational efficiencies.

FOCUS
ON EMPLOYEE
WELL-BEING

The well-being and safety
of employees should be a central
consideration in any business
travel strategy.

This includes offering flexible travel policies, access to wellness programs, and tools for managing travel-related stress.
By prioritizing employee well-being, organizations can enhance productivity, reduce turnover, and foster a positive company culture.
Additionally, a focus on well-being can improve compliance with travel policies and encourage responsible travel behavior.

EMBRACE
TECHNOLOGICAL
INNOVATION

Technology is a critical
enabler of future
business travel
strategies.

Organizations should invest in advanced travel management platforms, artificial intelligence, and automation to streamline travel processes, enhance decision-making, and improve the overall travel experience. Virtual reality and augmented reality can provide immersive pre-travel experiences while blockchain technology can enhance security and transparency in travel transactions. By staying at the forefront of technological innovation, companies can offer more personalized and efficient travel services.

PROMOTE
SUSTAINABILITY

Companies should
implement policies
and practices that
reduce the environmental
impact of travel.

By demonstrating a commitment to sustainability, organizations can enhance their reputation, meet regulatory requirements, and appeal to environmentally conscious stakeholders.
Sustainable travel practices also contribute to long-term cost savings and operational efficiencies, ensuring that companies remain competitive in a rapidly changing world.

ONE STEP AHEAD

As we approach 2040, emerging technologies will augment existing roles, create new sectors, and shift centers of power and commerce.

How we travel and meet will be profoundly influenced by a confluence of sustainability goals, technological advancements, evolving work models, and geopolitical shifts.

The three scenarios | **BASE, BOOM AND BUST** | offer distinct visions of how these forces might interplay.

Ultimately, these scenarios underscore the imperative for leaders to be foward-thinking, adaptable, and innovative.

As well as understanding plausible future scenarios, senior leaders and staff from across all business functions must contribute to planning for future scenarios defined by their own realities and goals, and a collective push for sustainability and employee well-being.

Supply and demand will ebb and flow. Experts and data analysis can predict with impressive accuracy. The future of your organization, and travel and meetings policy, are built on asking the right questions. The future is always uncertain. By planning for various possible futures, organizations can build resilience and flexibility, enabling them to pivot and thrive regardless of how the global landscape evolves.

As we move towards 2040, the key to success will be the ability to anticipate changes, embrace sustainability, leverage technology, and foster a culture of continuous improvement and strategic foresight.

Through these efforts, businesses can ensure they remain competitive and effective in an ever-changing world.

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LIMITED EDITION

Forecast

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