



2020 Global Travel Forecast: **A fog of uncertainty?**



Attention ladies and gentlemen the captain has turned on the fasten your seat belt sign as we are about to cross a zone of turbulence, so please return to your seats and strap yourself in!

The air, hotel and ground predictions for next year have landed along with a raft of uncertainties that are set to dampen pricing and slow down growth.

Explore the forecast highlights and look out for advice on managing travel in this volatile environment, so you can focus on 'controlling the controllable'.

Forecasting the future



The projected price changes average 2.2% for the Middle East and Africa, -0.2% for Eastern Europe and 0.5% for Western Europe.



Denmark and Egypt are both countries to watch in EMEA, with hotel prices in Denmark expected to fall 3.4% next year. However, Egypt's rates are on the up - projected to rise by 4.7% as its economy settles down after a period of unrest.



Eastern Europe's franchise model for rental car businesses will see slightly higher growth of 1.5%, due to supply and demand in the region. Rail prices still vary greatly across EMEA due to inconsistent regulation.

Cross check

Compared to last year's report: Western Europe **+4.8%** - air, **+5.6%** - hotel, **+0.5%** - ground – we are seeing a slowdown in price rises.

The factors impacting navigation

Western Europe price projections 2020



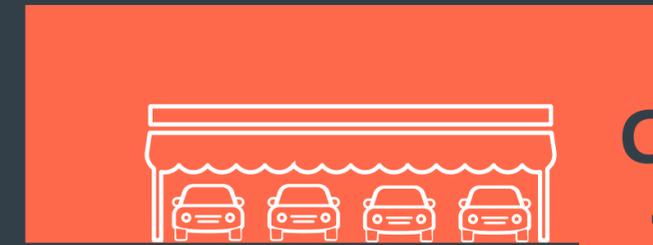
Air
+0.5%



UK
+1.9%



Hotel
+0.7%



UK
+2.0%



Ground
+0.5%

UK
+1.8%



The bigger picture

The bigger picture

Uncertainty across political, economic and environmental sectors is leading to a slowing growth trajectory globally. *The Global Uncertainty Index*, a barometer of unpredictability in 20 countries, reached a record level in 2019 in relation to economic policy.

Brexit, rising oil prices, global recession, trade wars, currency volatility... next year could be a bumpy ride for corporate travel with many factors potentially causing disruption to travellers and travel programmes with an impact on pricing.

On the positive side, advances in technology and data science mean that businesses can take action to mitigate the impact of this uncertainty and keep travellers satisfied, safe and productive... start controlling the controllable.

5 factors to put on your radar for next year

Trade war escalation



Oil prices



Recession global



Inflation



Brexit





Power to
the people

Power to the people

More companies are putting the traveller's experience and wellbeing at the core of their programme. This growing trend to listen more to the wishes of your travellers is also dictated by the need to attract and retain talented employees.

Travel policies that purely focus on upfront savings could affect staffing and financial performance.

Empowering your people by ensuring factors such as wellbeing are at the heart of your programme shows that real ROI goes beyond cost savings.

77%
**of travel buyers
agree that
traveller-centric
policies are key
to staff retention**

Source: Leveraging data to improve traveller
experience 2019 GBTA



Turning grey
skies green

Turning grey skies green

Mayday, mayday... our climate is changing at a fast pace. Temperatures are rising and ice caps are melting, which has already had a major impact worldwide. More hurricanes, earthquakes, floods and typhoons will cause major disruptions as well as raising health and safety issues for travellers.

Climate change is also driving investment in rail as a greener alternative to flying or driving. Changes in government regulations across Europe means the rail sector could be revitalised with increased competitiveness. Between competitive pricing and a call for greener business, travel managers would do well to keep an eye on rail for business travel across Europe.

100%
**of all global
bids that CWT
receives, ask for
specifications
on responsible
business
practices and
policies**

Source: Responsible Business Report 2019 CWT



Dynamic shifts

Dynamic shifts

Last call for fixed rates? Hotel chains have started to shift towards dynamic rather than fixed negotiated rate models. It's likely to become more difficult for travel managers to navigate travellers through the company's programme as volume discounts in some selected hotels will be fewer.

They might also need to give some instructions: focus will need to change to off-peak times in low availability areas to have access to the best discounts and lowest prices. Advanced booking should also be encouraged – as prices will go up closer to the travel dates.

**Nearly
70%**
**of buyers said
enforcing policy
compliance is
among the most
challenging
aspects of
their job**

Source: Improving hotel programmes. GBTA/
RoomIt by CWT 2018



Techy travel

Techy travel

While many companies are still dealing with the digitalisation of their travel services and processes, new technologies and innovations are entering the travel industry aimed at reducing employee downtime. Artificial Intelligence, blockchain, automation and biometric technologies will boost productivity, improve security and transform the way we travel.

The travel industry thrives on data, which is at the heart of those new technologies. Gathering, connecting and analysing it will be crucial to secure a seamless travel experience.

71%
of global
business
travellers
embrace travel
innovation

Want to control more in your travel programme next year?

Our sales team will be happy to help.

Source: Business Traveller Innovation CWT Artemis
study 2019