

Future of Business Travel Post COVID-19

The world of business travel has settled into a new normal, with COVID-19 a part of daily life for the past year. As business travel experts, we have noticed some significant trends in the industry that are likely here to stay for the foreseeable future. Here are our five major predictions for post-COVID-19 business travel in 2021 and beyond.

A Permanent Decline in Business Travel — Or a Stronger Bounce Back Than Ever

Before the pandemic, business travel accounted for approximately 30% of all international travel; a remarkably high percentage. At the end of 2020, the Wall Street Journal [reported](#) that the COVID-19 pandemic had permanently reduced future business travel between 19% and 36%. [Bill Gates predicted](#) that up to half of all business travel will never return.

It's crucial to remember that these predictions were made when vaccines had only just been approved for public distribution. As more of the population becomes vaccinated and travel restrictions relax, the current situation is likely to change. Additional analysts make the point that video conferences can never fully replace a handshake and a face-to-face conversation. Multiple airline CEOs have predicted that business travel will make a full recovery within three years, and some analysts are even predicting that business travel will come back even stronger than ever.

Business Travel Losses Will Affect Leisure Travel

Leisure travelers are likely to experience fewer and more expensive flights during the decline of business travel. This is because many business flights often subsidize airline tickets for leisure travelers. Common business air routes, such as Tokyo to London, are heavily supported by the corporations who pay for first-class tickets, allowing for lower prices for other travelers.

If you're a casual traveler as well as a business traveler, watch for ticket prices to spike and availability to drop in the near future. Using a leisure [travel agency](#) to watch for trends and ensure you find the best airfares can also be helpful for staying on budget.

Business Travel Will Correlate With Economic Improvement

A study from [Oxford Economics](#) found a striking correlation between business travel and the economy: for every \$1 spent on business travel, \$12.50 of revenue was generated. A study from [Harvard Growth Lab](#) likewise said that the fall in business travel contributed to a fall in global GDP of an impressive 5%.

Expect [business travel](#) trends to strongly correlate with the economy. If we do see a major recession in the near future, anticipate for it to hamper business travel at approximately the same rate.

High Safety Standards Are Here To Stay

After 9/11, airport security saw a strong and permanent increase. Similarly, health regulations in the travel industry will likely remain at a higher standard than before the pandemic began. Anticipate face masks, hand sanitizer, and some modicum of social distancing to stay in place in the next few years.

Corporations and their traveling representatives are expected to adhere to these regulations both at home and abroad. If you're a business owner, your corporate travel policy should be regularly updated to include factors such as immunization requirements, expected adherence to health guidelines, and international travel recommendations.

Businesses Will Rely Heavily On Travel Agents

International travel regulations will remain stringent for many months to come. Even if the vaccine is distributed expediently in the United States, countries that are significantly ahead or behind in vaccine distribution are likely to keep strict international travel restrictions.

In the coming years, anticipate heavy reliance on [business travel services](#). Coordinating safe travel has become both more time-consuming and more of a non-negotiable. Many corporations have already outsourced their business travel to travel agents with intimate knowledge of the latest travel information and best practices.

With many flights, accommodation options, and amenities canceled at short notice, obtaining the correct guidance on how to travel safely is essential. A corporate travel agent is able to provide companies with insider information and advice, while also acting as a safety net in case of emergencies. While corporate travel agencies were commonly used by large companies before 2020, the pandemic has made companies of all sizes turn towards using professional travel consultants to ensure their travel plans are handled correctly.

No matter if your corporate business trips will involve five people or five hundred, it's important to stay up to date with national and international travel restrictions and health guidelines. While no one can definitively predict the future of business travel, recent trends can help us prepare to navigate the industry post COVID-19.



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