



**GBTA** Global Business  
Travel Association

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# Quantifying the Return on Investment of U.S. Business Travel Company Benchmarking Analysis

October 2025

Made Possible by



American Society of  
**Travel Advisors**



# Table of Contents

Business travel drives relationships, revenue, and resilience. Organizations that manage travel strategically—balancing investment, control, and flexibility—unlock stronger performance and stay ahead in an economy where human connection remains a decisive competitive edge.

Quantifying The Optimal Levels Of Company Business Travel Spend: Research Background .....	3
Introduction .....	3
Revisiting Phase I of Our Industry Research .....	3
Company Benchmarking: Extending The Industry Analysis .....	3
Research Approach and Study Goals .....	4
Our Data Explained.....	4
Executive Summary .....	5
Evaluating Company Travel Spend & Roi.....	6
Overview of Key Company Attributes .....	6
Benchmarking Company Travel Spend .....	11
Applying The Benchmarking Results to Individual Firms .....	12
Exploring The Relationship Between Managed Travel And Company Performance.....	13
Conclusion & Ideas For Future Exploration .....	14
Appendix.....	15
Methodology & Approach .....	15
About Rockport Analytics .....	16
About GBTA.....	16
About ASTA .....	16
Contact .....	16

# Quantifying the Optimal Levels of Company Business Travel Spend: Research Background

## Introduction

As companies continue to navigate shifting business conditions, travel remains a vital enabler of growth—facilitating client relationships, deal-making, innovation, and team cohesion. Yet, determining the right level of investment in business travel has become increasingly complex amid evolving work models, tighter budgets, and rising cost pressures.

To address this challenge, Global Business Travel Association (GBTA) and the American Society of Travel Advisors (ASTA) have undertaken a multi-phase research initiative to quantify the optimal levels of business travel spending across U.S. industries and companies. The goal is to help business leaders understand where travel delivers the greatest return, identify when additional spending generates diminishing gains, and provide data-driven benchmarks for smarter, more productive investment decisions.

## Revisiting Phase I of Our Industry Research

Earlier this year, we released a [landmark study](#) examining the optimal level of business travel investment across major U.S. industries. Drawing on 24 years of historical data across 14 sectors, the research quantified the return on investment (ROI) of business travel and identified the point at which additional spending yields diminishing returns.

The findings confirmed that business travel spending exerts a strong, positive, and statistically significant effect on company sales. In 2024, U.S. firms spent roughly \$362 billion on business travel—still below pre-pandemic peaks after adjusting for inflation. The analysis suggests that a modest 8% increase in travel-related expenses (T&E) investment could boost overall sales by about 6%, generating up to \$2.4 trillion in additional revenues in the aggregate. At a macroeconomic level, the profit-maximizing level of travel spending is estimated to be \$24 billion above current levels, producing approximately \$14.60 in net operating margin for every additional dollar invested.

These results underscore the strategic value of well-calibrated business travel, particularly in the Professional Services, Real Estate, and Information & Communications sectors, where success depends heavily on face-to-face client and partner engagement. Meanwhile, sectors such as Retail/Wholesale and Banking appear to have the greatest potential to expand travel investment to unlock further growth. Although travel productivity has steadily improved since 2000—meaning companies now generate more sales per travel dollar—the evidence remains clear: targeted, optimal business travel investment is essential to sustaining long-term growth, resilience, and competitiveness.

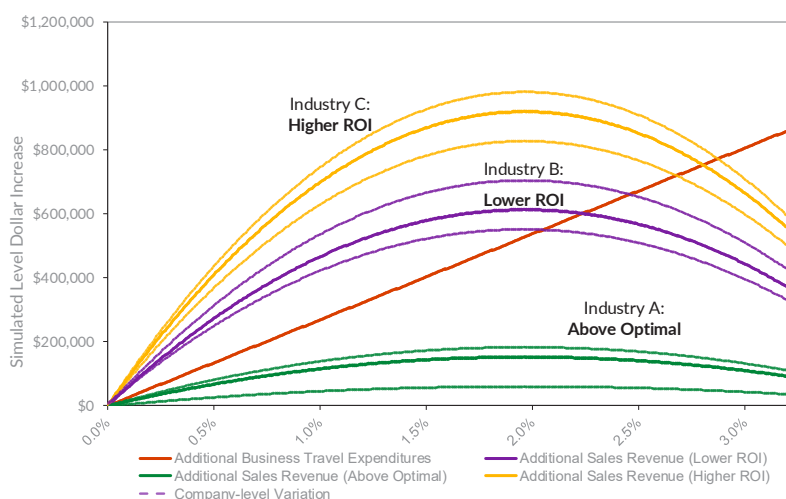
## Company Benchmarking: Extending the Industry Analysis

Building on the industry-level insights from [Phase I](#), this next phase of research focuses on the company-level determinants of business travel spending. Specifically, the analysis examines travel expenditure patterns among more than 3,200 U.S. firms, assessing how differences in organizational structure, workforce size, geographic footprint, and travel policy enforcement influence both travel budgets and associated revenue outcomes.

As illustrated in the Figure 1, not all industries—or companies within them—realize the same ROI from business travel. For example, Industry A (shown in green) represents a sector currently operating above its optimal spending level. Within that sector, some companies (represented by dashed lines)

may outperform or underperform the industry average depending on their unique characteristics. In such cases, reducing T&E investment—or reallocating spending toward more productive travel activities—could enhance profitability. Similar patterns are observed in Industries B and C, where intra-industry variability highlights the importance of company-specific benchmarking rather than reliance on aggregate industry norms.

Fig. 1: Simulated Travel Costs



Source: GBTA





Unlike Phase I, which focused on determining optimal T&E expenditure levels for individual companies, this study takes a different approach. Our primary objective was to identify the key drivers of travel spending and assess how travel management enforcement influences T&E expenditure. With these insights, we can estimate expected travel spend for each company and benchmark performance against industry peers—revealing whether companies are overspending or underspending relative to comparable organizations. This framework allows us to quantify how each company’s unique attributes and organizational structure affect their travel spending patterns.

## Research Approach and Study Goals

### Modeling Company-Level Travel Investment Patterns

This study aims to move beyond industry averages by identifying the firm-level attributes that drive T&E expenditure across sectors. By isolating these variables, we can estimate each company’s expected level of travel spending given its operational profile and benchmark it against comparable firms. This approach provides actionable insights into whether a company is significantly over- or underspending relative to its peers—and where adjustments could yield stronger performance outcomes.

- Travel spend
- Number of transactions
- Industry
- Travel management enforcement levels

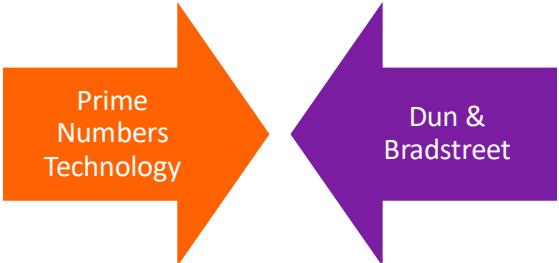
### Assessing the Impact of Travel Policy Enforcement on Financial Performance

Another key goal of this study is to determine how the enforcement of travel policies affects a company’s financial performance or whether tighter policies might stifle revenue by raising costs and limiting flexibility. To investigate this, we aim to identify any causal relationship between travel expenditure and revenue and measure its magnitude. While previous studies explored correlations at the industry level, allowing estimation of revenue-maximizing T&E expenditure across U.S. industries, this study focuses on establishing a firm cause-and-effect relationship at the company level before drawing conclusions about the impact of specific firm attributes.

## Our Data Explained

To be able to evaluate the relationship between travel spending and other company attributes required sourcing data from two different datasets: Prime Numbers Technology and Dun & Bradstreet. We merged individual, anonymized, firm-level data from these two sources, creating a combined dataset, which allowed us to have a much broader view at a company level to analyze the attributes that influence a company’s level of travel spend and revenue.

- Company revenue
- Employment
- Number of locations
- HQ location of company
- Corporate structure





# Key Findings:

## Company Level ROI and Benchmarking

This phase of our research **builds on earlier findings that confirmed the strong link between business travel investment and company revenue performance**. By analyzing more than 3,200 U.S. firms, the study explores how specific organizational attributes—such as company size, structure, and travel policy enforcement—shape spending patterns and outcomes. Using two distinct analytical models, we examine both how travel management enforcement affects spending levels and how it impacts company revenue.

The results confirm that travel spending has a measurable and causal impact on revenue, with companies that have well-managed travel programs consistently achieving stronger business performance. Firms with disciplined travel policy enforcement significantly outperform those without, underscoring that travel management is a strategic driver that moves beyond administrative control to boost efficiency and revenue when investment is correctly optimized. Additionally, travel spend benchmarking provides valuable context for optimizing travel budgets and management practices.

### Key Drivers of T&E Spending

Travel demand rises predictably with organizational scale and complexity. A 1% increase in staffing corresponds to roughly a 1.1% rise in travel expenditures, while each additional 1% in company locations adds about 0.08% to total spend. These patterns likely reflect underlying operational realities. Larger organizations tend to have more distributed teams and complex coordination needs, which necessitate more travel. Similarly, firms with more locations often require inter-site visits, training, or oversight, contributing incrementally to travel expenses. Industry structure also plays a major role—capital-intensive sectors (e.g., energy, manufacturing) spend approximately 34% more on travel than balanced firms, whereas labor-intensive industries spend about 27% less. These differences reflect the varying operational needs and mobility patterns of each sector.

### Travel Management and Enforcement

Firms with travel policy enforcement spend more on travel than firms with lower levels of enforcement, but this reflects greater business travel demand rather than policy inefficiency, given that firms with a higher level of enforcement have a higher number of travel-related transactions than low-enforcement

firms. Companies with moderate or high enforcement levels typically have higher operational mobility and more structured travel management systems to support it. Importantly, enforcement correlates not only with greater spend but with stronger business outcomes—suggesting that disciplined, data-driven travel management is a hallmark of growth-oriented firms.

### The Business Value of Travel Investment

By isolating causality through instrumental variable regression, our analysis finds that a 1% increase in T&E spending directly drives a 0.2% rise in company revenue. This confirms that business travel is a revenue-generating investment, not just a cost center. Moreover, firms with travel policy enforcement report 17–30% higher revenues than those without, depending on enforcement intensity. However, overly rigid enforcement—where travel rules are applied so strictly that they restrict employees' ability to make timely or cost-effective travel decisions—can limit returns, emphasizing the need for balanced compliance frameworks that maintain both control and flexibility.

### Firm Size and Efficiency Patterns

Large firms have the biggest total T&E budgets (about \$2.4 million on average) but benefit from economies of scale through negotiated supplier rates, centralized booking, and standardized travel programs that lower per-employee costs. Smaller firms, by contrast, spend less overall but face higher per-employee travel costs, reflecting a heavier relative burden—and a stronger dependency on travel as a growth driver.

### Industry-Level Variation

Travel intensity varies widely by industry. While these differences may appear to be intuitive, our data confirms that sectors with high field activity—such as utilities (\$8.6K per employee), healthcare (\$6.8K), and public administration (\$4.7K)—show the greatest per-employee spend, while sectors with more location-bound workforces, like food services, education, and warehousing, spend the least. These distinctions are critical for suppliers and travel management companies (TMCs) in tailoring solutions and pricing models by vertical.

# Evaluating Company Travel Spend & ROI

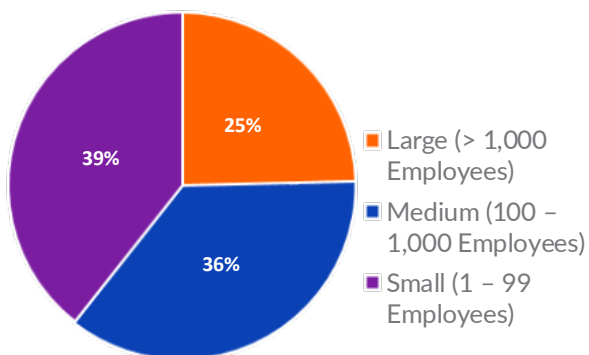
## Overview of Key Company Attributes

Our main sample included over 3,200 U.S. companies from 17 different industry classifications—each with unique attributes, including size, level of travel management enforcement, number of corporate locations, among others.

Most firms in our sample were small firms (39%)—classified as companies that have between one and 99 employees. Medium-sized firms (36%) made up the second-largest share of our sample, while large firms (25%) were the smallest proportion. As is expected, our data shows that large firms tended to have higher T&E expenditures (\$2.4M) than medium (\$466.7K) and small (\$100.5K) firms.

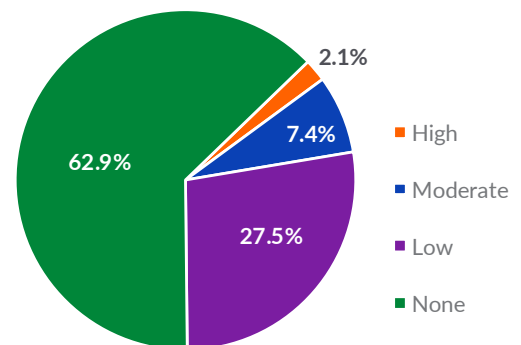
Companies without travel management enforcement made up the largest share of the sample (62.9%). After these, low-enforcement firms represented 27.5% of the sample, followed by moderate-enforcement firms (7.4%) and high-enforcement firms (2.1%). Large firms accounted for most high-enforcement cases (56.5%), while smaller firms were most often in the no-enforcement group. It is important to note that these enforcement levels were self-reported by the companies included in our analysis. It is also important to note that enforcement levels do not necessarily signify compliance with those policies. Compliance is not a measure included in our dataset or analysis.

**Distribution of Travel-managed Companies by Size**



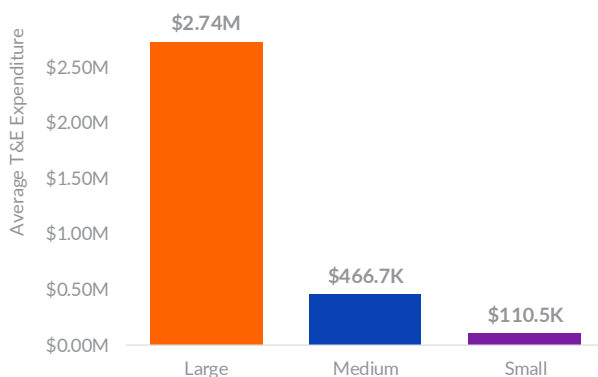
Source: GBTA, Rockport Analytics

**Distribution of Travel-managed Companies by Enforcement Level**



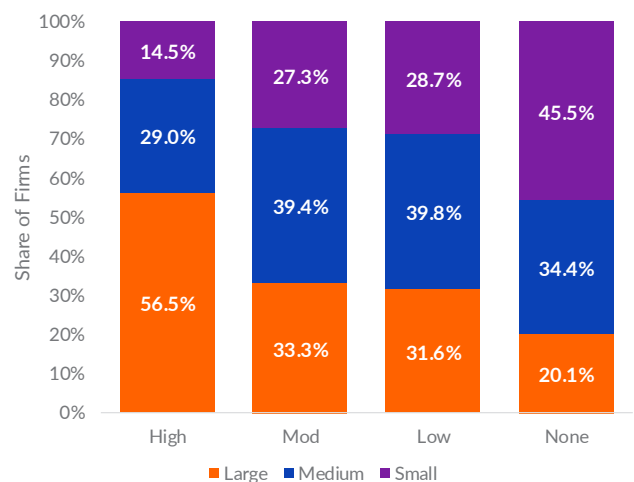
Source: GBTA, Rockport Analytics

**Average T&E Expenditure by Firm Size**



Source: GBTA, Rockport Analytics

**Travel Management Enforcement by Firm Size and Enforcement Level**



Source: GBTA, Rockport Analytics

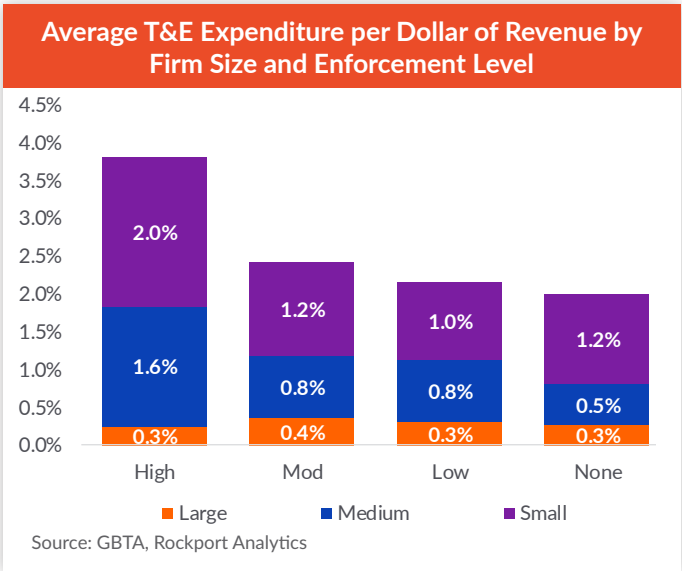


Average T&E Expenditure per Employee by Firm Size and Enforcement Level				
Firm Size	None	Low	Mod	High
Large	\$349.4	\$829.6	\$834.3	\$621.6
Medium	\$1,059.7	\$2,278.5	\$2,378.5	\$5,831.1
Small	\$5,373.2	\$7,178.0	\$7,195.0	\$6,175.7
Grand Total	\$2,881.1	\$3,131.8	\$3,272.2	\$2,940.3

When examining how these firms allocate their business travel expenses based on their level of travel enforcement, we find that higher-enforcement firms tend to spend more on T&E. As the column chart below shows, small- and medium-sized firms have the highest levels of travel spend per dollar of revenue in our sample, while large firms spend a similar proportion of their revenue on travel across the board. Now, it is important to clarify the relationship shown here between high-enforcement firms and higher T&E expenditure. As would be expected, the dataset likely captures the reality that companies that spend more on travel are more likely to have a higher level of travel management enforcement. For instance, no-enforcement firms probably have a lower intensity of business travel and therefore have less of a need for enforcement of their travel management policy.

### The Evolving Relationship Between Business Travel and Sales

This pattern is evident in T&E spending per employee. Firms without enforcement spend less per employee than those with enforcement across all firm sizes. Small firms, however, spend more per employee than larger firms, likely because they lack the scale to negotiate discounts or implement structured travel programs, making travel relatively more costly. Large firms benefit from negotiated rates, centralized programs, and tighter cost controls, which help keep per-employee spending low. Additionally, large firms often have a larger proportion of employees—including those who do not travel—spreading T&E costs over a broader workforce and further lowering per-employee spending.

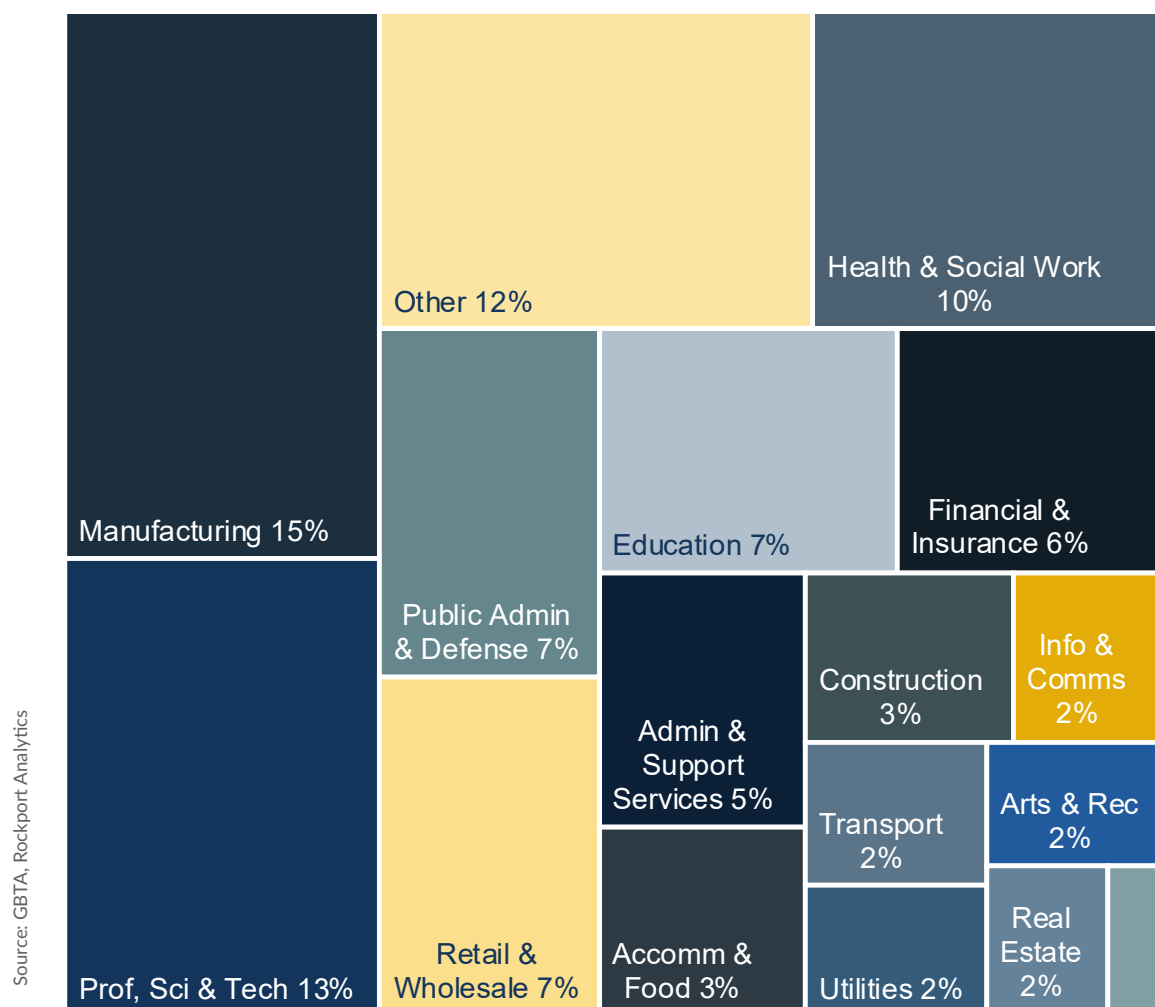






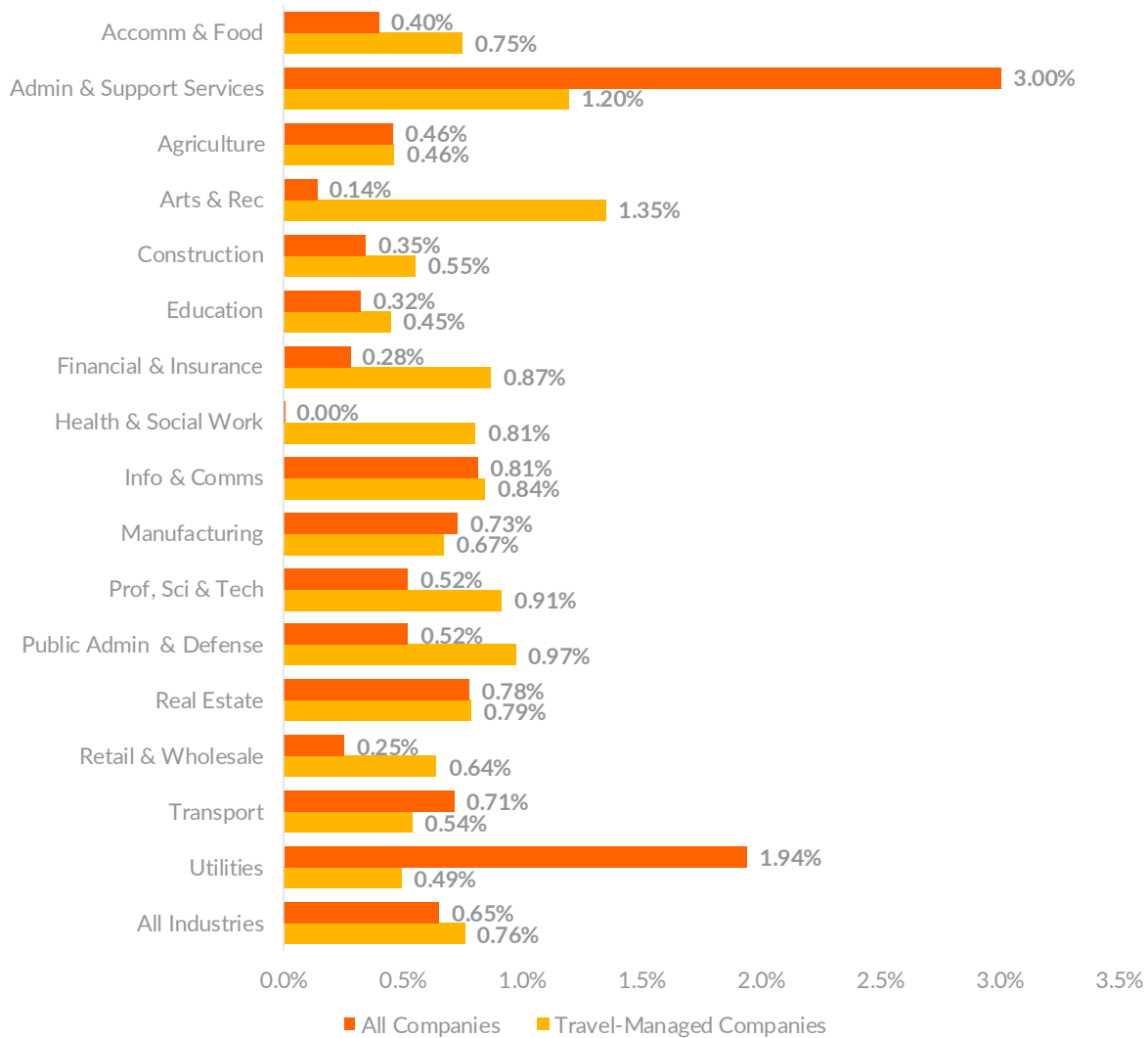
Our dataset of travel-managed companies represents a broad cross section of the US market with representation across industries, with the majority of firms classified as manufacturing firms (15%), followed by professional, scientific, and technical services companies (13%), with 12% of firms classed as “other” industries, and 10% in the health and social work services industry.

### Distribution of Travel-managed Companies by Industry





## Average Travel Spend per Dollar of Revenue for TMC vs. Non TMC

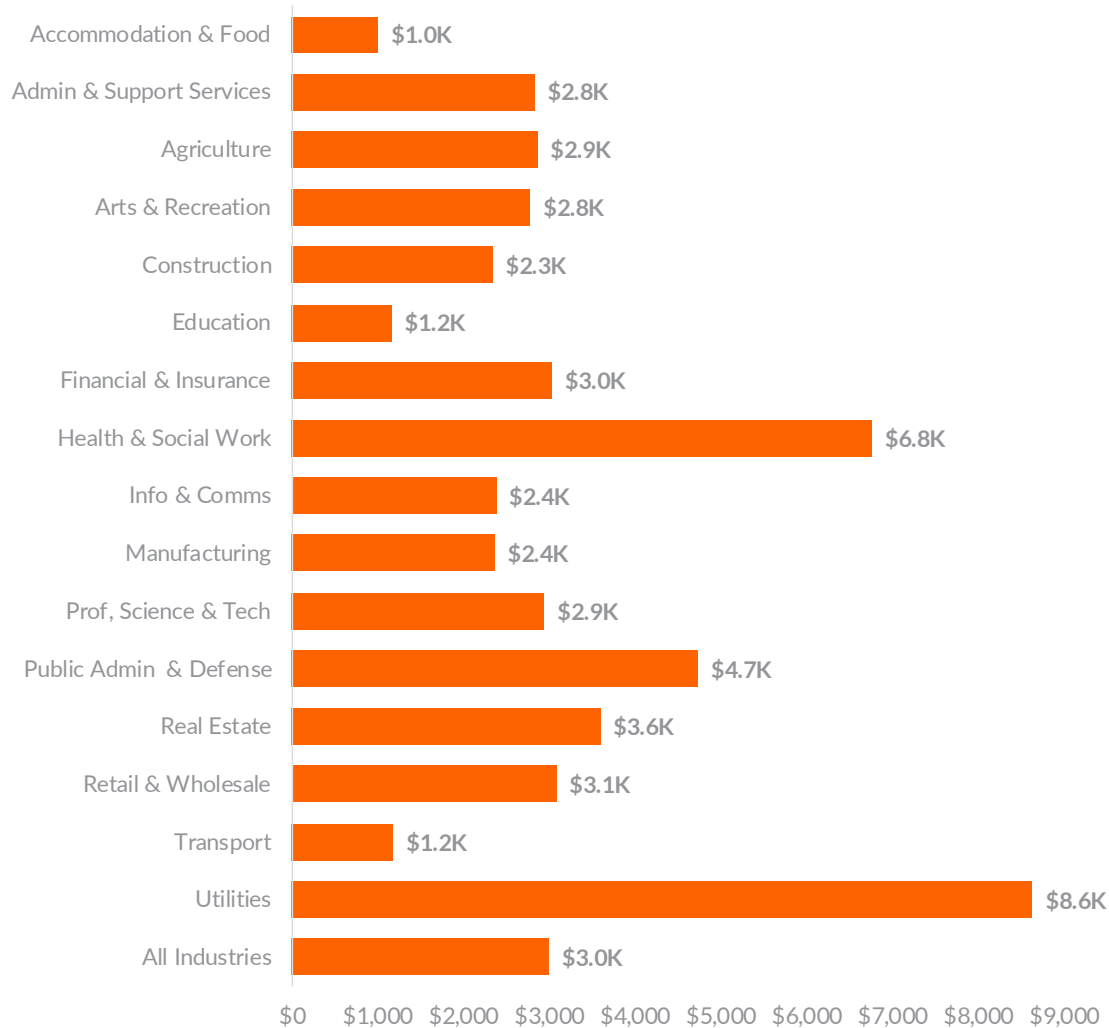


Source: GBTA, Rockport Analytics

When comparing average travel spend per dollar of revenue between the companies in our benchmarking dataset—which all have a travel management program—and the companies from our industry-level business travel optimization study, we find that across all industries, companies with a travel management program spent 0.76% of revenue on travel in 2024, compared to 0.65% for our industry level data from Phase I, which includes companies without travel management programs, and companies that do not travel for business purposes. This difference is because companies with a higher level of travel intensity—more overall travel transactions (plane tickets, car rentals, hotel stays, etc.)—are more likely to have a travel management program in place.



### Average Travel Spend per Employee by Industry



Source: GBTA, Rockport Analytics

The industries that have the highest levels of travel spend per dollar of revenue are the utilities industry (\$8.6K), healthcare and social work (\$6.8K), and public administration and defense (\$4.7K). On the other hand, the industries with the lowest level of travel spending per employee are the accommodation and food services industry (\$1.0K), and the education (\$1.2K) and transportation and warehousing industries (\$1.2K). High-travel industries like utilities and healthcare employ workers in mobile, client-facing roles that require more frequent movement, while low-travel industries like food services, education, and warehousing rely on stationary, location-based workforces that inherently generate minimal travel needs.



## Benchmarking Company Travel Spend

Our benchmarking model extends beyond simple industry averages to provide firm-specific estimates of T&E spending. Instead of assuming that all firms within a sector should spend similar amounts on travel, the model accounts for each company's unique mix of attributes—such as revenue, employee count, number of corporate locations, and operational intensity. This approach allows us to pinpoint how much a given firm should be spending on travel relative to its peers, given its specific characteristics. It also allows us to isolate the incremental influence of various factors on levels of travel spend—showing how proportional changes in each driver proportionally affect overall T&E spend.

The results are highlighted in the table below. The analysis shows that a 1% increase in employee headcount is associated with roughly a 1.1% increase in T&E spending, while a 1% increase in the number of corporate locations corresponds to an approximately 0.08% increase. These results reflect core operational demands. Larger organizations, characterized by distributed teams, face a greater need for in-person coordination and specialized oversight, driving the rise in travel. Similarly, a higher number of company locations requires routine travel for site management and process standardization,

contributing predictably to overall expenses. Companies with low levels of travel management enforcement spend about 40% more on T&E than those with no enforcement, while firms with moderate or high enforcement levels spend about 62% more. In terms of industry structure, capital-intensive firms—those that rely heavily on equipment, facilities, or other physical assets to produce goods or services—spend roughly 34% more on T&E than balanced-intensity firms, whereas labor-intensive firms spend about 27% less. Notably, the results are statistically robust across all driver variables, with low p-values confirming the significance of each variable's influence on a company's level of travel expenditures.

It may seem counterintuitive that higher travel management enforcement drives higher travel spending levels given that travel management should help to economize travel expenses. The model, however, is likely picking up some reverse causality as more travel-intense firms (those that invest more on business travel per employee than the average firm across all industries) are also more likely to have a higher level of travel management, while firms that travel less have less need for travel management policy enforcement.

**Regression Output for the Effect of TMC Attributes on T&E Expenditure (dependent variable)**

Model Driver Variables	Impact Measures	Travel Spending	P-Value	Confidence Level
Number of Employees	1% increase in headcount	1.10%	0.0000	99.99%
Number of Corporate Locations	1% increase in the number of corporate locations	0.08%	0.0020	99.80%
Low Travel Management Enforcement	Compared to no enforcement	40.3%	0.0000	99.99%
Moderate or High Travel Management Enforcement	Compared to no enforcement	62.0%	0.0000	99.99%
Capital-Intensive Firm	Compared to balanced-intensity	34.4%	0.0000	99.99%
Labor-Intensive Firm	Compared to balanced-intensity	-27.0%	0.0000	99.99%

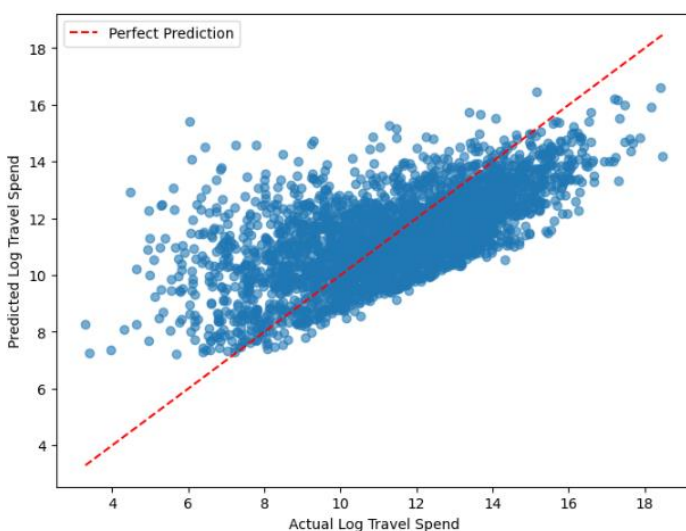


## Applying the Benchmarking Results to Individual Firms

The scatterplot below compares each company's model-predicted travel spend with its actual spending level. Most firms cluster near the red line, which represents a perfect alignment between predicted and observed values. However, a significant number fall noticeably above or below this benchmark. These deviations may reflect under- or over-investment in travel, though in some cases they likely stem from unobserved factors not captured in the current model. Importantly, such differences are rarely random—they reflect intentional business choices, structural realities, and management practices that influence how travel budgets are set and managed. While the model can be further refined, this analysis provides a valuable starting point for companies to benchmark their spending behavior and better understand how their travel investments compare with peers across industries.

The regression model can be applied to individual firm attributes to estimate each company's predicted level of travel spending. This provides travel managers with a straightforward benchmark for evaluating whether their organization is spending more or less than comparable firms with similar profiles. For instance, Company 1, operating in the Human Health and Social Work sector, spends roughly \$50,000 less than our model predicts based on its size and structure. In contrast, Company 2, in the Information and Communication industry, spends about \$160,000 more than predicted—an indication that there may be opportunities to reassess travel management practices or identify efficiency gains. While this analysis represents only a starting point—as other factors undoubtedly influence optimal spending—it offers a valuable framework for diagnosing potential gaps and guiding more data-driven travel budgeting decisions.

Actual vs. Predicted T&E Expenditure (Log Scale)



Source: GBTA, Rockport Analytics

Company 1	
Industry: Human Health and Social Work Activities	
Attributes	Inputs
Company Revenue	\$1,199,774,000
Number of Employees	3,120
Travel Enforcement Level	Low
Number of Corporate Locations	1
Legal Structure	Corporation
Industry Type	Labor-Intensive
Predicted Travel Spend	\$2,678,479
Actual Travel Spend	\$2,628,430
Underspending on Travel by	\$50,049

Company 2	
Industry: Information and Communication	
Attributes	Inputs
Company Revenue	\$7,403,134
Number of Employees	100
Travel Enforcement Level	Moderate
Number of Corporate Locations	91
Legal Structure	Corporation
Industry Type	Balanced-Intensity
Predicted Travel Spend	\$204,900
Actual Travel Spend	\$366,590
Overspending on Travel by	\$161,690



# Exploring the Relationship Between Managed Travel and Company Performance

In the second stage of our analysis, we examined how specific company characteristics influence revenue performance. The model incorporated key organizational attributes—including number of employees, number of corporate locations, level of travel expenditure, and degree of travel policy enforcement—to determine their relative impact on company revenue. By controlling for structural factors such as headcount and geographic footprint, we were able to isolate the incremental effect of travel spending and travel management practices on financial outcomes. To strengthen the validity of our results, we applied an instrumental variable approach that accounted for potential endogeneity—for example, the likelihood that more successful firms both spend more on travel and generate higher sales as a result.

The findings, summarized in the table below, reveal clear and statistically significant relationships. A 1% increase in

managed travel spending is associated with a 0.20% rise in revenue, while each 1% increase in corporate locations corresponds to a 0.05% gain in top-line sales. Importantly, travel management enforcement also has a measurable influence on performance. Firms with moderate to high levels of enforcement achieve roughly 17% higher revenue than those with no enforcement, while even companies with low enforcement outperform non-enforcing peers by about 30%. These results suggest the existence of an optimal balance—or “sweet spot”—in travel management enforcement that blends financial discipline with the operational flexibility needed to drive growth. While additional research could further refine these models by incorporating additional firm characteristics or market dynamics, the current findings establish a clear and consistent directional relationship between travel management enforcement and company revenue.

Regression Output for the Effect of TMC Attributes on Revenue (dependent variable)				
Model Driver Variables	Impact Measures	Revenue Boost	P-Value	Confidence Level
Number of Employees	1% increase in headcount	+0.81%	0.0000	99.99%
Number of Corporate Locations	1% increase in the number of corporate locations	+0.05%	0.0000	99.99%
Travel Expenditures	1% increase in travel spending	+0.20%	0.0000	99.99%
Low Travel Management Enforcement	Compared to no enforcement	+30.2%	0.0017	99.83%
Moderate or High Travel Management Enforcement	Compared to no enforcement	+17.0%	0.0014	99.86%

Source: GBTA, Rockport Analytics



## Conclusion & Ideas for Future Exploration

This analysis reveals the underlying reasons for the variation in how companies across industries, each with its own unique set of attributes, allocate and benefit from business travel spending. Our results highlight that even within the same industry, company-specific factors—such as size, travel management enforcement, and operational structure—play a decisive role in determining optimal T&E levels. Larger firms unsurprisingly allocate more in absolute dollars, but smaller and mid-sized companies often spend more on a per-employee basis, reflecting both cost disadvantages in the form of a lack of economies of scale and differences in travel intensity. Importantly, firms with more formalized travel management programs tend to spend more on travel overall, not because enforcement drives up costs, but because these generally larger companies view travel as a strategic investment that supports client engagement, business development, and growth, and they have the means to set these programs in place and enforce them more easily.

Our models confirm that travel spending has a measurable and causal impact on company revenue. Controlling for other key business drivers, our revenue model shows that a 1% increase in travel spend leads, on average, to a 0.2% increase in revenue—a relationship that holds even after accounting for firm size, industry type, and management enforcement levels. Companies with at least some degree of travel policy enforcement—whether light or strict—consistently outperform those with no enforcement, achieving 17% to 30% higher revenues on average for the same level of travel spending. These findings underscore that travel management is a strategic driver, moving beyond administrative control to significantly boost efficiency and revenue when investment is correctly optimized.

Our analysis also identified a couple key areas where further research is necessary:

### 1. Further Analysis & Development Work to Establish a Benchmarking Tool:

While our econometric analysis provides a starting point for companies to better benchmark their travel spending, a more advanced version of the T&E expenditure tool, incorporating additional company attributes, could become an invaluable resource for organizations seeking to better benchmark their business travel spending against industry peers. Its capabilities could be further enhanced through the integration of sophisticated machine learning algorithms designed to capture how subtle variations in company characteristics influence T&E expenditure patterns.

### 2. Further Analysis to Develop a More Nuanced Understanding and Model of Company-Level ROI of Managed Travel Investments:

Business travel encompasses a wide range of trip purposes and objectives. As would be expected, simply deciding to increase or decrease overall spending does not reveal the most effective mix for maximizing revenue. To optimize T&E allocation, companies need to understand factors including trip purpose, the opportunity cost of a trip, sustainability initiatives, business yield, sales opportunity, relationship metrics, employee benefit and many other factors. Fine-tuning these levers offers a more precise and strategic view of where travel investment delivers the greatest return. Likewise, understanding traveler perspectives on travel management policies and how those impact satisfaction and job performance could help companies to better understand the role that employee satisfaction plays in travel's ROI.



# Appendix

## Methodology & Approach

The purpose of this analysis is to capture the relationship between business travel, travel management enforcement, and sales among companies in the United States, while accounting for firm-level attributes. This section begins with a description of the data, then provides an overview of the modeling methodology.

### Data

Our analysis required sourcing and merging data from two different datasets: Prime Numbers Technology, and Dun & Bradstreet. The Prime Numbers Technology data contains anonymized company-level travel expenditure data including total travel spend, number of transactions, industry, and level of travel management enforcement. The Dun & Bradstreet dataset contained many company attributes, including revenue, employment, number of corporate locations, location of corporate headquarters, and corporate structure. In our merged sample of over 3,200 U.S. companies, we had representation from the industries shown in the table below.

Industry
Accommodation And Food Service Activities
Administrative And Support Service Activities
Agriculture, Forestry And Fishing
Arts, Entertainment And Recreation
Construction
Education
Financial And Insurance Activities
Human Health And Social Work Activities
Information And Communication
Manufacturing
Other
Professional, Scientific And Technical Activities
Public Admin And Defense, Other Services
Real Estate Activities
Retail Trade

For this analysis, we generated two distinct models to answer two key research questions: How does travel management enforcement affect travel spend? And how does travel management enforcement impact company revenue? The dependent variable for our travel spend benchmarking model, which allows us to estimate T&E expenditure based on company attributes, is the natural logarithm of travel spend. Logging our numeric variables allows us to talk about the impact of our independent variables in percentage terms as well as smooth out extreme values. In the case of our revenue impact model, our dependent variable was the natural logarithm of company revenue.

## Benchmarking Model Methodology

The goal of this model was to determine the elasticity of T&E expenditure with respect to various firm characteristics—in other words, the percentage difference in the impact of various factors on T&E spend. To accomplish this, all continuous numerical variables were log-transformed to allow for interpretation as elasticities, while categorical variables were left unmodified. The errors of this model follow a normal distribution. This assumption is particularly important for hypothesis testing and constructing confidence intervals around coefficient estimates.

We defined the T&E spend benchmarking model as follows:

$$T\&E\ Expenditure = C_i + B1 * Employees + B_2 * Corp\ Locations + B_3 * Low\ Enforcement + B_4 * Moderate\ or\ High\ enforcement + B_5 * Capital\ Intensive + B_6 * Labor\ Intensive$$

Moving from left to right,  $C_i$  is the constant term which is the same for each company. The next term is the number of employees in each company, while the following term is the number of corporate locations for each firm. The two main continuous variables (Employees and Corporate Locations) are interpreted as elasticities. The enforcement variables are compared to No Enforcement (the baseline).

## Revenue Model Methodology

We developed a similar econometric framework to analyze how firm attributes and T&E management influence company revenue. Numerical variables were also log-transformed to ensure elastic interpretation.

The Revenue model is defined as follows:

$$\text{Revenue} = C_i + B_1 * \text{Employees} + B_2 * \text{Corp Locations} + B_3 * \text{T\&E Expenditure} + B_4 * \text{Low Enforcement} + B_5 * \text{Moderate or High enforcement}$$

In this model,  $C_i$  is also the constant term—equal for each company. Similarly, this model also includes the number of employees and the number of corporate locations for each company. The last two variables are the travel management enforcement categorical values, as described in the previous model. To account for potential correlation of errors within

companies, we employed robust clustered covariances at the entity level in this model as well.

### Review of Assumptions in the Modeling Methodology

- › All companies have the same constant term, with variation in travel spending attributed only to observable differences in the independent variables.
- › All sectors in the U.S. economy share the same fundamental relationship with the independent variables.
- › The relationship between our independent and dependent variables (in their logged form) is linear.
- › Our independent variables are not a perfect linear combination of any of the others.
- › There are no systematic differences across companies that would affect the dependent variable.

## About Rockport Analytics

Rockport Analytics, LLC ([www.rockportanalytics.com](http://www.rockportanalytics.com)) is a research and analytical consulting firm providing high-quality quantitative and qualitative research solutions to business, government, and non-profit organization clients across the globe. Rockport's focus is on creative and actionable research in the travel and tourism market. We provide fast, nimble service in a transparent environment

Rockport Analytics' capabilities include:

- › Market Analysis and Forecasting
- › Economic Impact Assessment, Tourism Satellite Accounting, and Economic Development
- › Market Modeling and Decision Support Tools
- › Project Feasibility Assessment
- › Primary Research and Secondary Research Synthesis
- › Stakeholder Surveys—internal and external

## About ASTA

Founded in 1931, The American Society of Travel Advisors (ASTA) is the leading global advocate for travel advisors, the broader travel industry and the traveling public. Its members represent 80 percent of all travel sold in the United States through the travel agency distribution channel. Together with several hundred internationally based members and travel partners, ASTA champions the essential role of travel advisors through advocacy, education and professional development. In addition to serving as a professional resource for travel advisors, ASTA maintains a long-standing commitment to elevating the travel industry by promoting integrity, expertise and consumer confidence. Learn more at [www.asta.org](http://www.asta.org).

## About GBTA

The Global Business Travel Association (GBTA) is the world's premier business travel and meetings trade organization serving stakeholders across five continents. GBTA and its 8,500+ members represent and advocate for the USD \$1.48 trillion global business travel and meetings industry. The GBTA and the GBTA Foundation deliver world-class education, events, research, advocacy, and media to a growing global network of more than 28,000 travel professionals and 125,000 active contacts.

For more information about the Global Business Travel Association, visit [www.gbta.org](http://www.gbta.org) or email [info@gbta.org](mailto:info@gbta.org).

## Contact

For more information or specific questions, please contact:

**Chris Ely**  
Director, Research, GBTA  
[cely@gbta.org](mailto:cely@gbta.org)

**Mark Sharoff**  
Senior Research Manager, GBTA  
[msharoff@gbta.org](mailto:msharoff@gbta.org)

**Debbie Iannaci**  
Vice President, Global Communications,  
PR & Research, GBTA  
[diannaci@gbta.org](mailto:diannaci@gbta.org)

**Jon Gray**  
Principal  
Rockport Analytics  
[jon.gray@rockportanalytics.com](mailto:jon.gray@rockportanalytics.com)



For more information about the Global Business Travel Association,  
visit [www.gbta.org](http://www.gbta.org) or email [info@gbta.org](mailto:info@gbta.org).

For more information about GBTA Research, visit [gbta.org/research](http://gbta.org/research)

For media inquiries, contact [press@gbta.org](mailto:press@gbta.org).

The Global Business Travel Association (GBTA) is the world's premier business travel and meetings trade organization serving stakeholders across five continents. GBTA and its 9,000+ members represent and advocate for the USD \$1.48 trillion global business travel and meetings industry. The GBTA and the GBTA Foundation deliver world-class education, events, research, advocacy, and media to a growing global network of more than 28,000 travel professionals and 125,000 active contacts.