

SMALL BUSINESS TRAVEL SECRETS: THE CONNECTION BETWEEN TRAVEL AND REVENUE

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According to Travel Leaders Group's 2017 Business Travel Trends Survey, there's no slowing down for business travel. Their business travel experts expect bookings to remain as high or higher year over year, despite concerns about flight delays, cancellations and the availability of sufficient airplane seating.

Industry data suggests that about 445 million business trips are taken annually. And the reason people are taking all those trips is that the profits related to business travel are undeniable. For every dollar spent on business travel, companies commonly see a \$2.90 profit increase and a \$9.50 rise in revenue.

When it comes to booking business travel, small businesses spend 24% more per year on travel expenses than their big-business counterparts. This is due in part to the fact that growing businesses need to travel more frequently to stake out new territory. Another reason for the disparity is that larger corporations have outsourced travel to vendors who are tasked with cutting those costs. Established firms that have partnered with travel management companies enjoy the benefits of discounted rates and the expertise of seasoned professionals. Smaller businesses that follow a similar path can cut travel expenses almost immediately. Controlling operating expenses means being able to avoid increasing prices for customers and helps steady your financial ship. The corporate world is tough on emerging or growth businesses trying to establish themselves, which is why you want to control travel costs at the outset.

Looking to the Future

The forecast for business travel is bright, and when travel spending goes up it reflects a high degree of confidence in our economy. From Skift, the online magazine covering global travel trends: "Travel managers expect big corporate travel spenders to keep spending, and small corporate travel spenders to travel less due to higher prices." If only small corporate travel spenders had access to the same tools enjoyed by the big guys. Hint: you can hire the same travel management companies.



Travel Big on a Small Budget

Maybe your small business has a road warrior or two: the people who spend more time in the air than on the ground for their client pitches and conference presentations. To travel big on a small budget, many small businesses partner with an agency that can work the system in their favor. Travel management companies have access to unpublished rates and airfares that can help you stay within your project's budget. An experienced agent can assist you in enrolling in airline soft dollar programs and help you manage these programs to offset airfare costs. Chances are that partnering with an outside vendor would free up several hours of your office manager's day so that she can concentrate on cutting costs in other departments.

You can begin the search for a travel management company by seeking out an agency with experience booking corporate travel for small to mid-sized companies. These are the vendors who understand how to stretch your business travel budget and look for shortcuts to savings. Start with a call or email to a nearby location and ask to discuss your business needs with their sales rep or office manager. It's likely that they can offer you a range of services from a lightly managed plan to a full-service managed travel policy.

Finding the Right Partner Makes a Big Impact for a Small Business

A small business's travel costs are a direct result of individual choices by employees - from the airlines and hotels they select, how far in advance they book, or even how often they avoid unnecessary trips with a Skype conference call. Taking a page from a large corporation's playbook would mean booking on a single airline, hotel chain or car rental agency in order to leverage volume discounts. But you can sidestep that route by choosing an agency that already has the volume to earn discounts. You can be sure your competitors have thought of this shortcut too. If your business travel spending keeps rising, consider bringing on an experienced partner that can guide your company through its growth spurt.