

The SME reality check: Market shifts, rising costs and the need for smarter solutions

With consumer spending slowing and economic conditions shifting, 75% of Australian small-to-medium enterprises (SMEs) expect rising operational costs in 2025 and are actively seeking ways to cut expenses. Cost control is a top priority, making value-driven, efficient travel solutions essential¹.

In 2024, 43% of small businesses raised prices to offset rising costs², but many are also turning to smarter spending and operational efficiencies to stay profitable. Inflation also continues to squeeze SMEs, with businesses feeling the impact of cautious consumer spending.

Despite financial pressures, business travel is surging. Australians are hitting the road more than most, with 37% of businesses sending employees weekly and 44% monthly³. This trend, fuelled by regional migration and improved infrastructure, means travel remains crucial—but managing it cost-effectively and efficiently is key.

With business travel remaining a key priority for growth, many SMEs are re-evaluating how they manage it—seeking solutions that balance cost, efficiency, and traveller support. Yet, many are curious what he right approach looks like for their business.

Keep reading to explore the solutions for smarter business travel management.

References:

- ¹ NAB Economics Monthly Data Insights, January 2025
- ² Constant Contact, Small Business Now Report, September 2024
- ³ The Australian, The extraordinary return of the business trip, November 2024





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Managed vs. unmanaged travel: What's the difference?

If you're tired of juggling bookings and managing costs on your own, there's a better way to travel—through a Travel Management Company (TMC). But first, what does it all mean?



Unmanaged travel (DIY)

Unmanaged travel
means businesses handle
bookings in-house, often
through an assistant or
employees booking directly
online. Without a central system,
tracking costs, managing
changes, and ensuring policy
compliance can be tricky.

Managed travel

Managed travel is when a business partners with a travel management company (TMC) for bookings, reporting, and support. Travel is arranged through a dedicated consultant or an online booking tool (OBT), ensuring visibility, efficiency, and better cost control.



A TMC takes the stress out of business travel by providing expert guidance, exclusive rates, and 24/7 support. From smarter bookings to cost-saving insights, a TMC helps businesses travel better—without the drama.





A look at the hidden hassles of unmanaged travel

With rising costs, endless admin, and last-minute changes, unmanaged or DIY travel is draining time, budgets, and energy for many businesses.





Here's what we're seeing many SMEs experience in the current business travel landscape:





Business travel disruptions:

Flight delays, last-minute reschedules, severe weather, cyber outages—you name it. Without proactive support, businesses are stuck handling the chaos on their own (often outside work hours), adding stress and risk for travellers.



Stressful and time-consuming bookings:

Hours are spent hunting for deals, comparing prices, chasing approvals, and managing lastminute changes. Without a seamless process, booking business travel becomes a full-time job.



Unmanaged travel expenses:

Unused credits, costly changes, and missed opportunities to secure better rates are common challenges. Without the right policy guardrails and expert guidance, businesses are leaving money on the table by managing travel themselves.



Budget blowouts:

A lack of real-time visibility and cost control leads to unchecked spending, missed savings, and dollars slipping through the cracks. Scattered receipts, messy credit card statements, and travellers left out of pocket make reconciling expenses a nightmare.



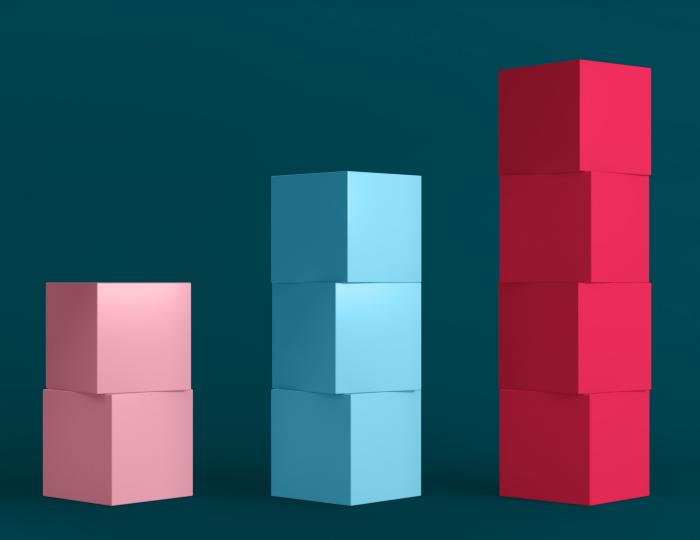
Travellers missing out on extras:

Instead of giving their travellers the VIP treatment they deserve, businesses are settling for the basics. Without the right setup to make every trip smoother and more rewarding, travellers miss out on perks like free breakfast, discounted upgrades, flexible checkouts, and bonus loyalty points.

These challenges are all too common - but they don't have to be. Now's the time for SMEs to take back control, cut through the chaos, and find a travel solution that works for them.

How does managed travel stack up against unmanaged (DIY)?

Now that you're aware of the difference between managed and unmanaged travel, let's compare how they stack up when it comes to bookings, savings, and traveller support.



		Managed travel	Unmanaged travel (DIY)
Booking Your Trip	Research flights, hotels, cars online		
	Verified suppliers		×
	Online bookings		
	Personalised travel choices		
	Automated trip approval process		×
	Travel policy compliance		X
Cost Savings	Discounted rates	V	~
	Best global corporate rates		×
	Booking within travel policy		×
	Loyalty programs		
	Bespoke cost reporting		×
	Expense tracking		×
	Refund processing		×
Traveller Support	Travel change support	V	×
	Emergency support 24/7		×
	Travel alerts		×

Myth busting: Time to uncover the magic of managed travel

Myth #1

We don't travel enough to need a TMC.

Think again. Even if your business has just five frequent travellers per month, a TMC can bring significant value. Managing multiple itineraries, dealing with erratic bookings, last-minute changes, and poorly managed expenses can quickly become costly, time-consuming, and stressful.

SMEs often spend more per traveller than larger companies because they miss out on bulkbuying power and negotiated rates. A TMC can tailor its services to your business size and needs, and scale with you as you grow, ensuring your travel program remains cost-effective while saving you time and reducing stress.

Myth #2

Why pay for a TMC when I can book travel myself?

Time. Money, Stress. Booking a flight online is easy, but managing the entire travel experience is another story. The right TMC offers experts with years of experience who can quickly find the best itineraries using their deep knowledge of airfare, hotels, and car rentals. Their booking tools can consolidate all options in one view, in line with your policy.

The right TMC also works for your business beyond just bookings to optimise your entire travel program. They utilise comprehensive reporting and strategic insights to track spending and behaviour, making recommendations for savings and efficiency. They negotiate better rates, secure perks like upgrades and lounge access, and streamline booking and expensing processes.

Thinking about managed travel but unsure if it's right for your business? We get it - it's a big decision. Let's walk you through some common questions and show how managed travel can make your travel experience more efficient, cost-effective, and downright enjoyable.

Myth #3

It will be quicker to book my own trip.

Not necessarily. Searching for flights, accommodation, and transport takes longer than you think—especially when juggling approvals, policy restrictions, and last-minute changes. And if plans shift? Good luck navigating call centre wait times.

With the right setup, businesses can choose what works best—whether that's expert support, smart tech, or a mix of both. For example, an online booking tool (OBT) can bring all options into one view, streamline approvals, and ensure bookings stay within policy, making the process faster and easier to manage.

Myth #4

Changing my travel process is too much hassle - and my team won't be on board.

We hear you, but don't let it scare you. Here's the thing: while change can feel like a hassle, the right TMC makes it a breeze by providing everything you need to ensure a smooth transition. For example, when a new customer starts with Corporate Traveller, we provide a dedicated onboarding team to get them set up for success, plus all the training and resources they need for change management. And when travel is easier, clearer, and better managed, your team will be the first to see the benefits. Less stress, fewer headaches. and a more seamless way to book and travel? That's a change worth considering.

9 steps for finding the right travel partner

So, you're starting to see the potential in your travel program, and it's time to make things a whole lot easier (and more cost-effective). Many SMEs wait until they hit a breaking point before bringing in the experts, but the right partner can transform your travel game.

Step 1

Here are 9 steps to finding that magic match and ensuring your travel program reaches its full potential.

Be open to new ideas. Don't fall into the trap of believing you're the only one who understands your business. TMCs know the corporate travel industry inside out. Thanks to their extensive knowledge, they can spot gaps, uncover opportunities, and offer insights you might not even know you're missing.

Step 2



Ask the right questions. Get specific when you're talking to TMCs. Ask about their response times for managing travel disruptions, how quickly they can make changes, and the time it takes to book travel. Also ask about their policies on data security, confidentiality, sustainability, DEI, and more. Dig into their onboarding process, tech setup, reporting practices, and the level of customer support they provide. You need to know exactly what you're getting.



Step 4

page from the start.



Put a rock-solid SLA in place. A strong service level agreement (SLA) sets expectations early, so there's no room for misinterpretation or frustration later. Define your objectives clearly, and ensure both parties are committed to meeting them.

9 steps for finding the right travel partner...

Step 5



Conduct a thorough consultation – and be transparent from the get-go. When interviewing TMCs, give them all the relevant info up front. The more they know about your needs, pain points, and goals, the better their pitch will be. This is your chance to make sure they really understand what you're looking for.

Step 6



Meet often. Building a solid relationship takes time. You want a TMC that's willing to put in that time—one that picks up the phone when you ring, and regularly checks in to ensure you're receiving the value and service you expect. Invest time into building trust and the rewards will follow!

Step 7



Keep an eye on your costs. Look for a TMC that integrates your travel policy into their tech stack and sets proper guardrails on costs. Find one that can secure great deals and corporate rates with preferred suppliers for air, hotel, and car hire. Be clear on fees: know what's included, what's a one-off, and what's recurring, so you can keep a handle on your budget.



Step 8



Don't always default to the lowest bidder. You've heard the saying "you get what you pay for," and it rings true here. Look for a TMC that offers dedicated, expert assistance and quick response times when things don't go to plan. Chasing short-term savings could cost you in the long run. But don't be swayed by flashy features either. Prioritise the essentials—like tools that help manage your most frequent travel issues. Focus on solving your core problems, not on extras you don't need.

Step 9



Consider their culture. Are they all business or do they bring a fun, laid-back energy? Think about how they'll fit with your team and whether they'll add real value. Your business travel partner should not only align with your people but also make life smoother and more effortless.

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Experience business travel without the drama

For over 30 years, we've been helping SMEs travel smarter, backed by the strength and partnerships of the Flight Centre Travel Group.

Think effortless bookings, expert guidance, and game-changing tech—all designed to make business travel feel easy. From uncovering savings to handling last-minute changes, we take the hassle off your plate, so you can focus on what really matters.

Here's how Corporate Traveller helps you unlock the magic in your travel program:

Business travel delays? Our 24/7 emergency team keeps everyone on track.

Travel disruptions shouldn't turn into business disruptions. Our 24/7 emergency support team is here to make sure your travellers stay on track—without the stress, wasted time, or unnecessary costs.

Stressed booking business travel? Our experts and tech are your passport to the best options.

Corporate Traveller brings everything together—one tool, one process, and all the information you need at your fingertips, backed by real experts who make travel easier.

Struggling with business travel expenses? Our payment solution smooths the process.

Corporate Traveller Credit Accounts help businesses stay in control of travel spending while reducing admin time and improving financial visibility.





Blowouts in your business travel budget? Get single-view tracking of your travel program.

Corporate Traveller's analytics dashboard takes the complexity out of budget tracking so you can manage travel spend with confidence - without extra admin.



Can't find business travel extras? We unlock extra benefits for your travellers.

With our global network and strong supplier partnerships, your travellers get more—exclusive perks, better deals, and waivers on air, hotel, and car hire. Plus, our Breakfast Plus program adds extra value at no cost, making business travel easier, more rewarding, and cost-effective.



By introducing just a few tools or systems, backed by our incredible people, we can make your business travel more efficient, cost-effective, and stress-free.

Let's talk about how we can tailor the perfect solution for you.

