

# THE VALUE OF CORPORATE TRAVEL 2025

An Analysis of Managed Travel  
Segments and Channel Behavior

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# Foreword

**We are proud to present this inaugural report from the NYU School of Professional Studies (NYU SPS) Jonathan M. Tisch Center of Hospitality, developed in partnership with HEDNA.** This collaboration reflects a shared commitment to supporting the hospitality and travel technology ecosystem as it navigates structural change and increasing distribution complexity. We thank Amadeus, Sabre and Travelport for their support and for providing the data and industry insight underpinning this study and the Oracle Corporation for their additional insights.

Corporate travel has historically been a core contributor to hotel profitability; however, the industry still lacks consistent, widely accepted definitions and benchmarks for the managed traveler. As business travel now exceeds pre-pandemic spending levels, reaching \$1.484 trillion in 2024 (according to GBTA), hotel operators and travel technology providers face new strategic questions: **Which channels deliver incremental value? How is corporate travel demand evolving? Which distribution and commercial strategies will be most effective in a fragmented market?**

This report provides a data-driven assessment of how booking behavior, channel performance and segment dynamics evolved between 2023 and 2025. While the negotiated corporate segment has contracted in share of room nights, it generates higher revenue per stay, signaling a shift from volume to yield. In parallel, the Global Distribution System (GDS) channel strengthens its role in corporate distribution, while Direct has softened in share and performance across 2024 and into 2025.

The findings make sense of the managed travel market, defined as corporate, consortia, government, and parts of groups, while acknowledging that unmanaged and out-of-policy travelers remain difficult to isolate. Despite this limitation, the overall trajectory is clear. The managed travel landscape is becoming more complex, more competitive and more dependent on technology-enabled distribution strategies.

**This report aims to provide greater clarity around these changes and to support hotel, distribution and travel technology leaders with actionable insight.**

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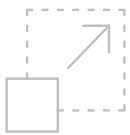
# Highlights

This analysis highlights the major shifts in business travel performance from 2023 to 2025, focusing on how segments, channels and traveler behavior are evolving across the managed travel ecosystem.



## 01 The 'Negotiated' Segment is a High-Value Target:

Despite a shrinking share of room nights, the corporate negotiated segment is generating higher revenue per stay, driven by significant net ADR growth. This marks a shift from a volume-based to a value-based model, and calls for hotels to evaluate the place for corporate, negotiated travel in their broader commercial strategy.



## 02 A Channel Shift Underway for Managed Travelers:

Corporate travelers, including the most valuable loyalty members, appear to be migrating from Direct booking channel, or bookings captured by properties through phone and walk ins, to the GDS. While Direct channel held a leading position in 2023, GDS taking over as the top channel for booked room nights signals that hotels are reallocating marketing and distribution budgets toward specific corporate and consortia programs where potentially highest-paying, business travelers are booking. Meanwhile, Brand.com's share remains relatively constant.



## 03 Leveraging Predictable Behavioral Patterns:

Travelers booking through the GDS rarely book same-day; the majority book 8 to 30 days in advance, allowing hotels for more sophisticated yield management for the last-minute inventory often booked via the Direct or other channels. Blended travel is another notable trend that boosts the average length of stay and ancillary revenue.



## 04 Need for an Improved Tracking of Unmanaged Travel:

The findings capture the behavior of the managed travel market, defined as corporate, consortia, group (partially) and government market but are indiscernible of the unmanaged share of travelers, including out-of-policy booked trips and small to medium size business travelers who book non-negotiated rates.



## 05 TMCs as Aggregators and Agility of Hotels:

Hotels are adopting nimble, omnichannel approaches to reach the managed segment, utilizing OTAs for efficient promotions and incentivizing direct bookings with specialized programs and loyalty benefits, while maintaining presence on GDS, as the core channel for corporate travel. This flexibility is mirrored by Travel Management Companies (TMCs), which are transforming into essential rate aggregators that integrate direct, negotiated, and OTA rates, while also adapting to track direct bookings to fulfill duty of care obligations. While geopolitical instability is the likely reason behind the rise in cancellations, so is the lack of a 'modify reservation' option in corporate booking tools.

# 1

# Objectives & Methods

## Objectives

Corporate travel plays a crucial role in the hospitality industry's profitability, yet industry-wide definitions and performance benchmarks for managed business/corporate travelers remain elusive. With business travel showing clear signs of recovery, hoteliers face the challenge of optimizing distribution strategies and evaluating the quality of revenue derived from distribution channels that service the managed traveler, particularly through Global Distribution Systems (GDS) and other channels available through corporate booking tools. Meanwhile, employees occasionally book corporate travel via the same channels used for personal travel, such as online travel agencies (OTAs) or loyalty apps, to accrue points, then request reimbursement, further muddying data sources and complicating tracking of contribution of corporate travel to hotel profitability.

**This study is designed to quantify and interpret the evolving value of the managed travel market by examining reservation behavior, revenue contribution, loyalty participation, and traveler behavior during the stay. It focuses on the changes in how managed travel demand is distributed across segments and channels between 2023 and 2025.**

A core emphasis is placed on the Negotiated segment and its associated subsegments of Corporate, Consortia, Government and Group travel. These segments are analyzed in relation to the primary channels through which they transact, including GDS, Direct, and branded digital channels. By linking who is traveling with how they are booking, the study provides a structured view of how demand, distribution and commercial value interact in the current environment.

The findings are corroborated with the key statistics from external sources, including proprietary panels of travel agents from reputable industry sources such as GBTA, Skift, and Amadeus.

## Methods

**The research adopts a mixed-methods approach, combining large-scale quantitative data analysis with qualitative insight from industry stakeholders and is structured around three components.**

**01** The analysis draws on global performance data from Amadeus Demand360® covering the period from January 2023 to August 2025. This dataset represents 45,000+ hotel properties worldwide and includes indicators such as Room Nights Sold (RNS), Revenue, and Average Daily Rate (ADR). All definitions of Industry-specific terms and abbreviations can be found in the *Glossary of Terms*.

**02** Aggregated booking and guest spend data was sourced from HEDNA's hotel network, along with Oracle. This provided property-level insight into realized bookings, spend behavior, and segment performance across a broad and geographically diverse set of hotels.

**03** A series of structured interviews was conducted with senior hotel executives. These interviews focused on qualitative dimensions that are not fully captured in system data, including booking quality, perceived profitability, rate integrity, loyalty program influence, and the operational implications of managed travel demand.

By combining these three inputs, the study integrates macro-level distribution trends with on-the-ground commercial and operational perspectives, creating a more rounded view of how managed travel is evolving across the global hotel industry.

# 2

## Global Market Performance

### Jan 2023 – Aug 2025

This section establishes a baseline view of global hotel market performance across the 2023 to 2025 period, using room nights sold (RNS), revenue, and average daily rate (ADR) as core indicators.

Following the post-pandemic recovery phase, 2024 emerged as a year of more structurally driven business travel growth. The data indicates that global room nights increased by 1.9% in 2024 and accelerated to 4.2% year-to-date by August 2025. Revenue growth exceeded volume growth, reaching 5.4% by August 2025, supported by continued rate progression.

Global ADR increased from \$170.60 in 2023 to \$172.92 in 2024 and reached \$174.40 year-to-date in 2025 (a growth of 7.7% over the whole period). The combination of moderate volume expansion and steady ADR growth indicates a market that is transitioning toward value-driven performance rather than being solely reliant on demand recovery from Room Night growth. This baseline context is essential for interpreting subsequent shifts in segment performance and channel behavior.

Table 1: **Global Market Performance** Jan 2023 – Aug 2025

	Annual Capacity	RNS	YoY Change	Revenue	YoY Change	ADR	YoY Change
2023	1,742,272,377	1,150,289,507	-	\$ 196,238,612,411.92	-	\$170.60	-
2024	1,753,738,636	1,172,165,381	+1.9%	\$ 202,694,336,286.55	+3.3%	\$172.92	+1.4%
YTD 2025	1,211,755,312	813,851,918	+4.2%	\$ 141,644,167,725.19	+5.4%	\$174.04	+1.2%

\*YoY 2025 compares Jan – Aug 2025 with the same period of 2024

# 3

## Deep Dive into Market Segment Performance

### Jan 2023 – Aug 2025

While the overall market is growing at a moderate pace, a closer look at individual segments shows clear differences in performance. The data points to a gradual realignment of both market share and revenue contribution across key traveler segments. The transient Negotiated segment recorded a decline in global room nights in 2024, however returned to growth in 2025 with a 3% increase by the end of August.

Over the same period, revenue in the Negotiated segment grew at nearly twice the rate of its room nights. In other words, revenue is tracking the room night trend for this segment, but at a faster pace, although still below the revenue and room night growth achieved by the Group segment, which boasts the higher revenue-yielding power.

Figure 1: **Global Room Nights Sold** Jan 2023 – Aug 2025

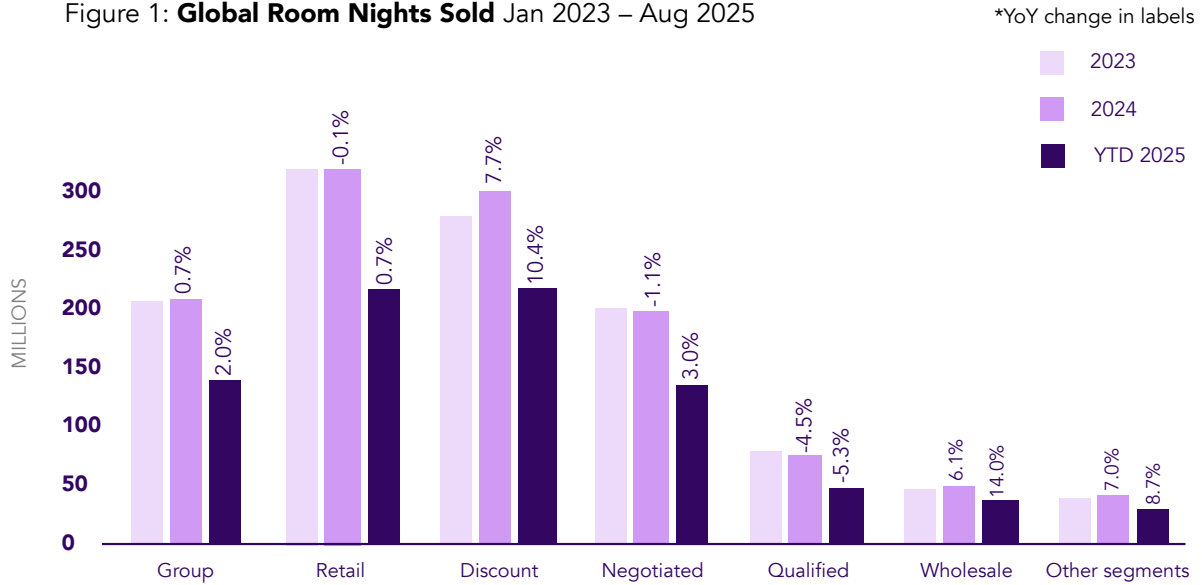
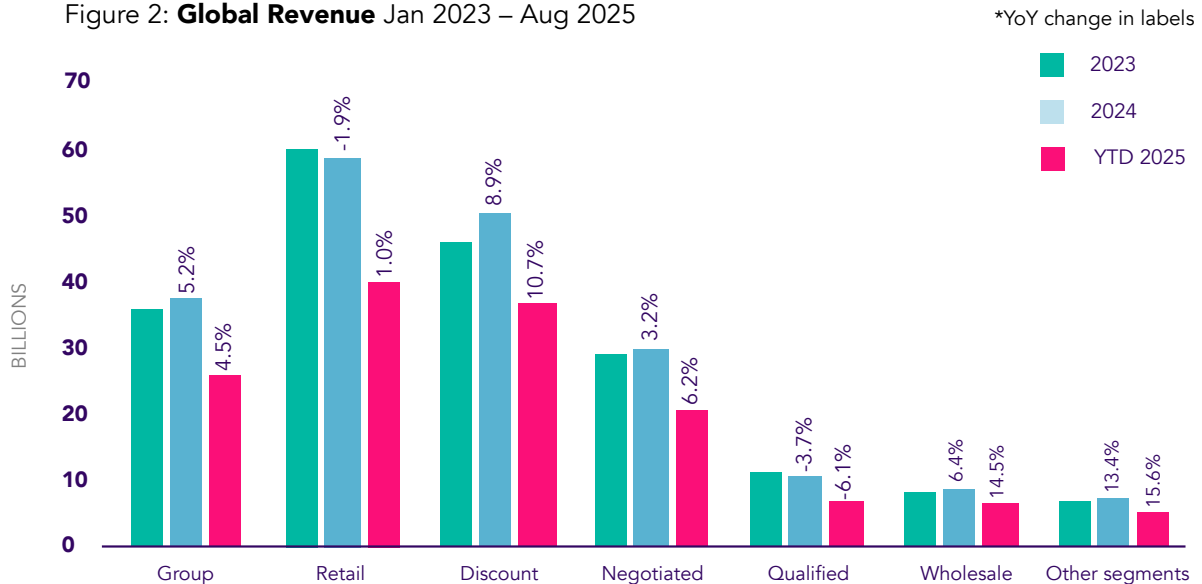


Figure 2: **Global Revenue** Jan 2023 – Aug 2025



# 3

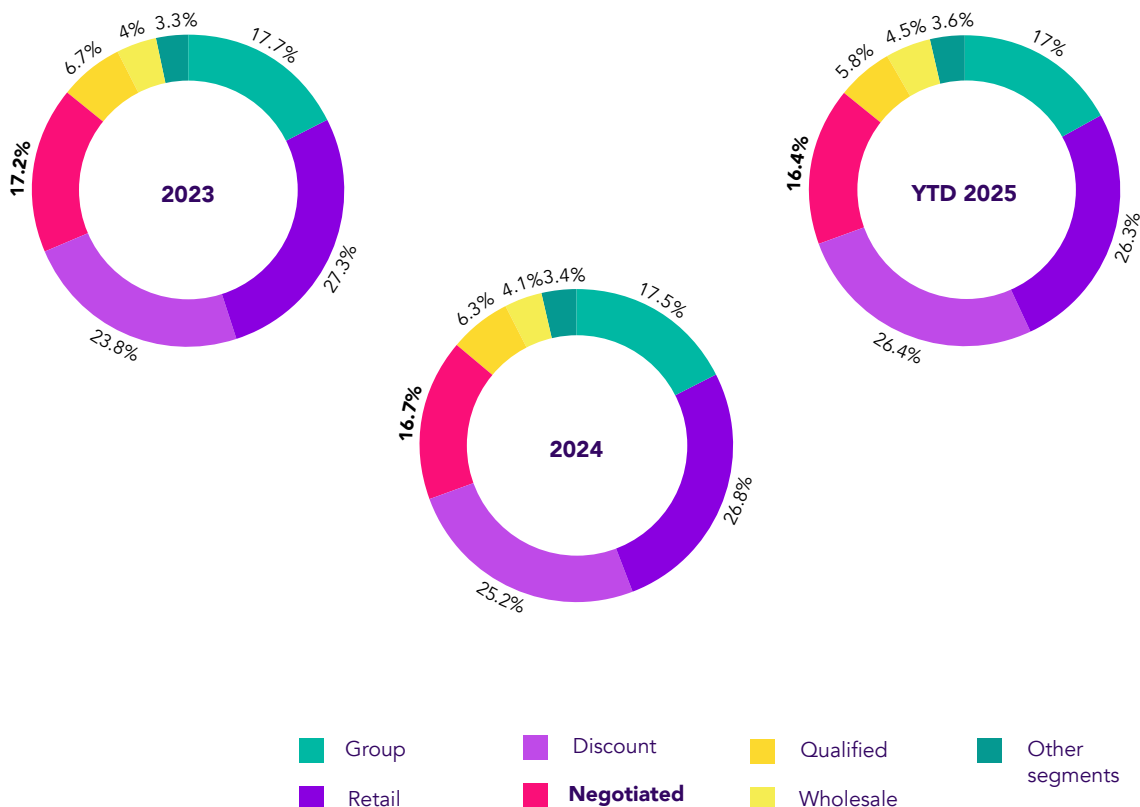
## Shifting Segment Share and Contribution

The composition of the global travel market is in minor flux. From 2023 to 2025, the Discount segment has expanded its footprint substantially, largely at the expense of the Retail, and to some extent Group, and Negotiated segments.

Table 2: **Global room night (RNS) Share Trends by Leading Segments**

Market Segment	RNS Share (2023 - 2025)	Revenue Share (2023 - 2025)
Group	17.7% → 17.0%	18.4% → 18.4%
Retail	27.3% → 26.3%	30.7% → 28.4%
Discount	23.8% → 26.4%	23.6% → 26.0%
Negotiated	17.2% → 16.4%	14.9% → 14.8%

Figure 3: **Global Room Nights Share by Segment** Jan 2023 – Aug 2025



# 3

Analysis reveals two opposing trends. The Discount segment is the primary beneficiary of the volume shift, gaining room night share YTD 2025 as other segments contract. In contrast, the Group segment presents an important nuance: while its room night share declined, its revenue share remained stable. This indicates that, similar to the Negotiated segment, the Group segment successfully generated somewhat more revenue per room night.

## The Negotiated Segment Paradox: Declining Volume, Increasing Value

While the Negotiated segment share of the market RNS went from 17.2% in 2023 to 16.4% in year-to-date 2025, its revenue contribution has increased, as seen in a relatively steady revenue share. The Negotiated segment experienced a volume contraction of -1.1% in 2024, followed by a rebound to +3.0% growth in 2025 year-to-date, although this growth remains below the total market average of +4.2%. However, the revenue story is starkly different.

The Negotiated segment’s revenue grew by +3.2% in 2024 and accelerated to +6.2% growth in the first half of 2025 Q3. Revenue growth for the Negotiated segment 2025 outpaced the global average of +5.4%, demonstrating a clear increase in value per stay, as evidenced in higher ADR and longer length of stay (LOS) trends in 2025 (0.3 days longer LOS for business and leisure combined).

Table 3: **Global ADR by Segment** Jan 2023 – Aug 2025

	Group (\$)	Retail (\$)	Discount (\$)	Negotiated (\$)	Qualified (\$)	Wholesale (\$)	Other segments (\$)
<b>2023</b>	177.21	191.76	169.37	147.89	146.97	191.10	110.15
<b>2024</b>	185.24	188.29	171.18	154.29	148.11	191.62	116.77
<b>YTD 2025</b>	188.94	187.71	171.17	156.84	147.31	191.78	124.21

ADR Global

# 3

ADR difference from total average

	Group (\$)	Retail (\$)	Discount (\$)	Negotiated (\$)	Qualified (\$)	Wholesale (\$)	Other segments (\$)
2023	6.61	21.16	(1.23)	(22.71)	(23.63)	20.50	(60.45)
2024	12.32	15.37	(1.74)	(18.64)	(24.82)	18.69	(56.16)
YTD 2025	14.90	13.67	(2.88)	(17.20)	(26.73)	17.74	(49.83)

ADR YoY CHANGE

YoY 2024	4.5%	-1.8%	1.1%	4.3%	0.8%	0.3%	6.0%
YoY 2025	2.5%	0.3%	0.3%	3.0%	-0.8%	0.4%	6.3%

This divergence is explained by the ADR growth within the segment, which increased by +4.3% in 2024 and another +3.0% in 2025. Although its absolute ADR remains \$17.20 lower than the global average, the higher rate of increase is driving substantially higher revenue from fewer room nights. However, the looming uncertainty of the remaining 2025 travel outlook and trade negotiations may push the numbers down.

This performance, when contrasted directly with the volume-driven expansion of the Discount segment, sharpens the strategic choice for hospitality suppliers: chase volume or chase value. These changes in traveler profiles are closely tied to the booking channels they use.

# 4

## The Shifting Landscape of Booking Channels

This section explores the trends in room nights and revenue through different distribution channels, with an emphasis on channels that are primarily used by Negotiated sub-segments, including corporate travelers, consortia, and groups (GDS and Direct). The data from 2023 to 2025 reveals some realignment, with the GDS and OTA channels emerging as a high-growth powerhouse while the Direct and CRS channels face contraction. Revenue growth for GDS peaked in 2024, and rose over the same period in 2025 by 9%.

In contrast, the Direct channel experienced revenue contraction in 2024 before returning to moderate growth of +3.1% in 2025.

Figure 5: **Global Room Nights Sold by Channel** Jan 2023 – Aug 2025

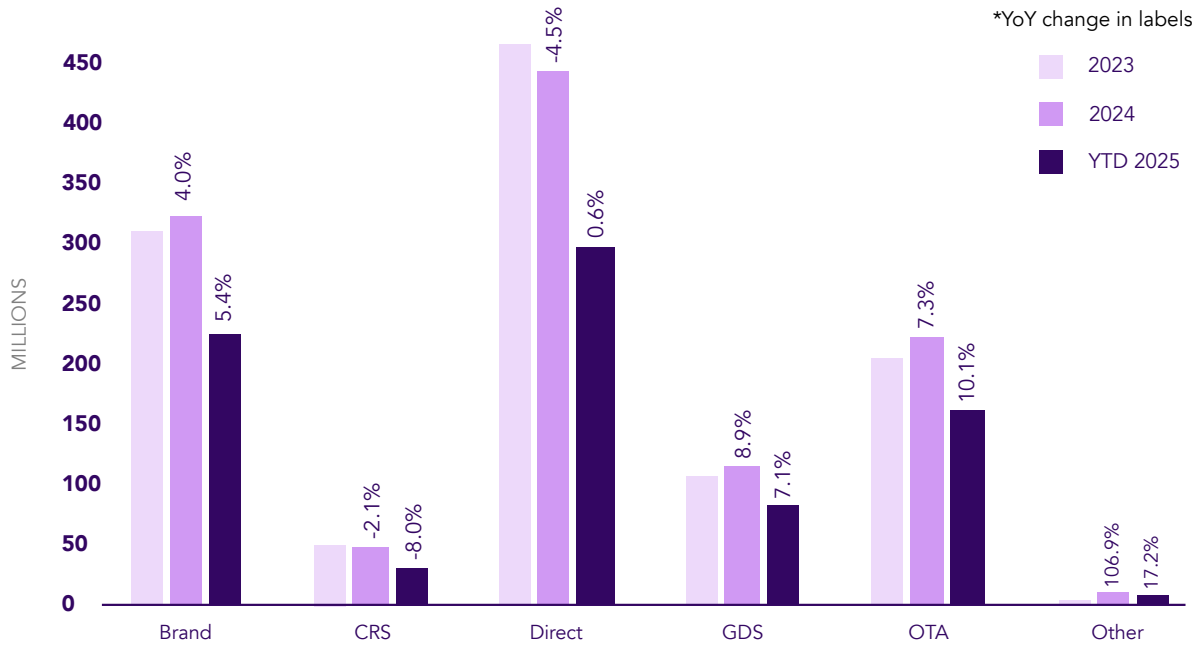
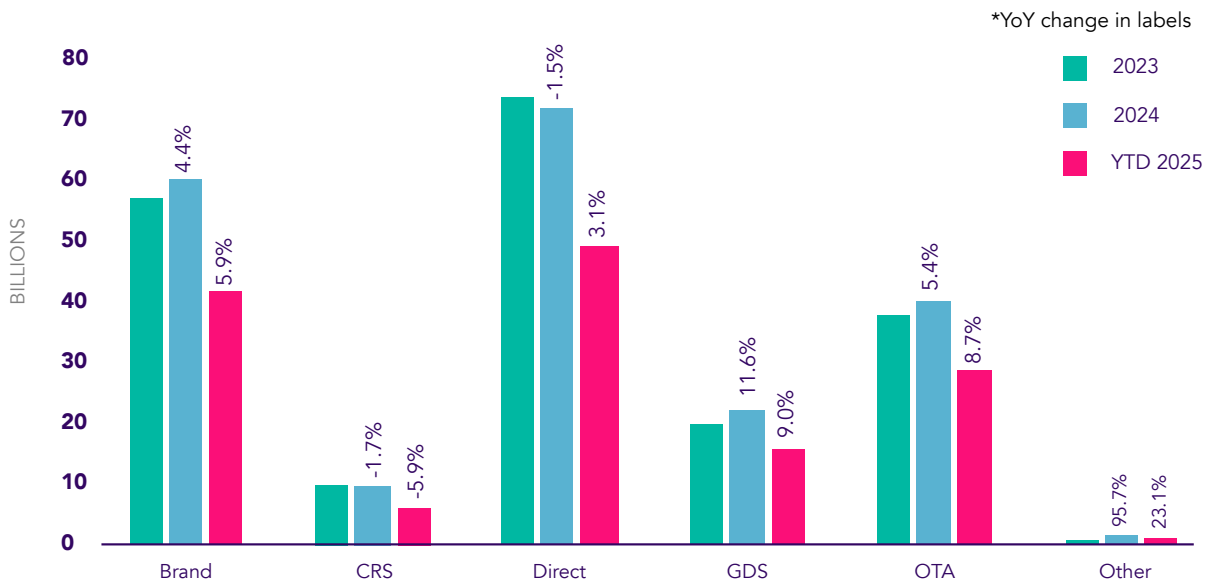


Figure 6: **Global Revenue by Channel** Jan 2023 – Aug 2025



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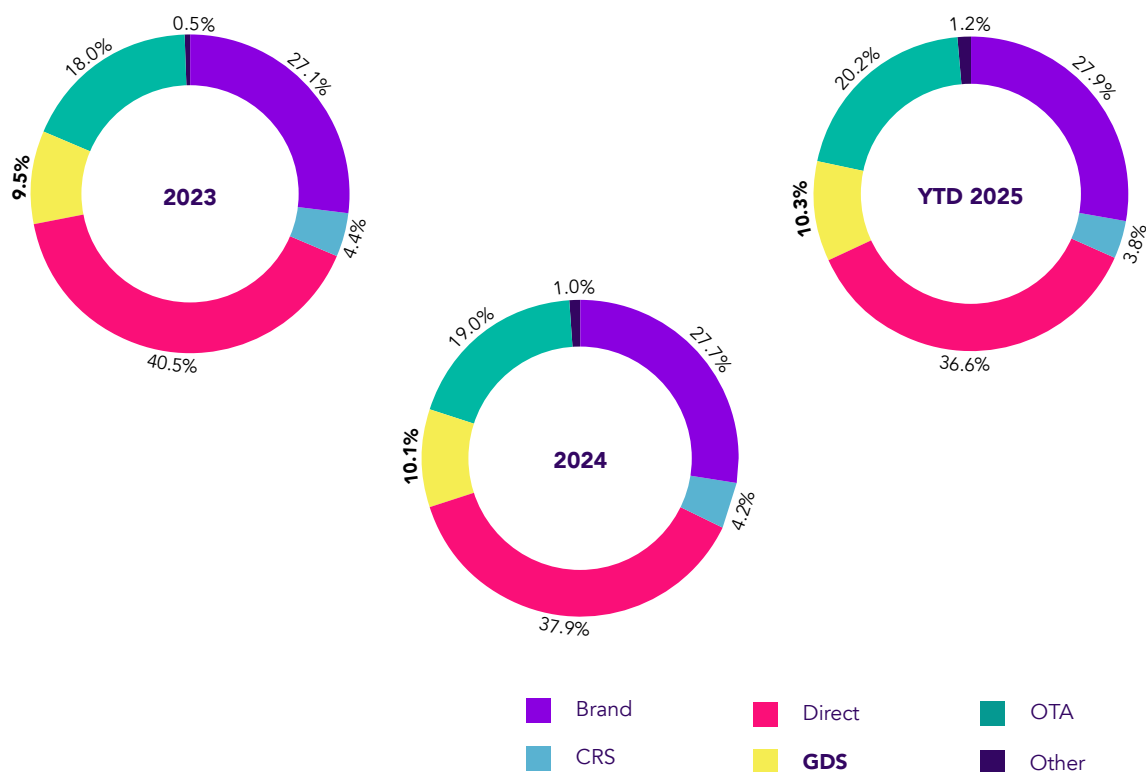
## Channel Performance Analysis: GDS vs. Direct

A comparative analysis of the GDS and Direct channels highlights two opposing trajectories. The GDS channel is on a path of expansion in both volume and value, while the Direct channel is ceding some of its market share, in part due to the migration of negotiated segments to GDS and non-negotiated segments to Brand.com and OTA.

Table 4: **Contrasting GDS vs. Direct Channel Share Trends**

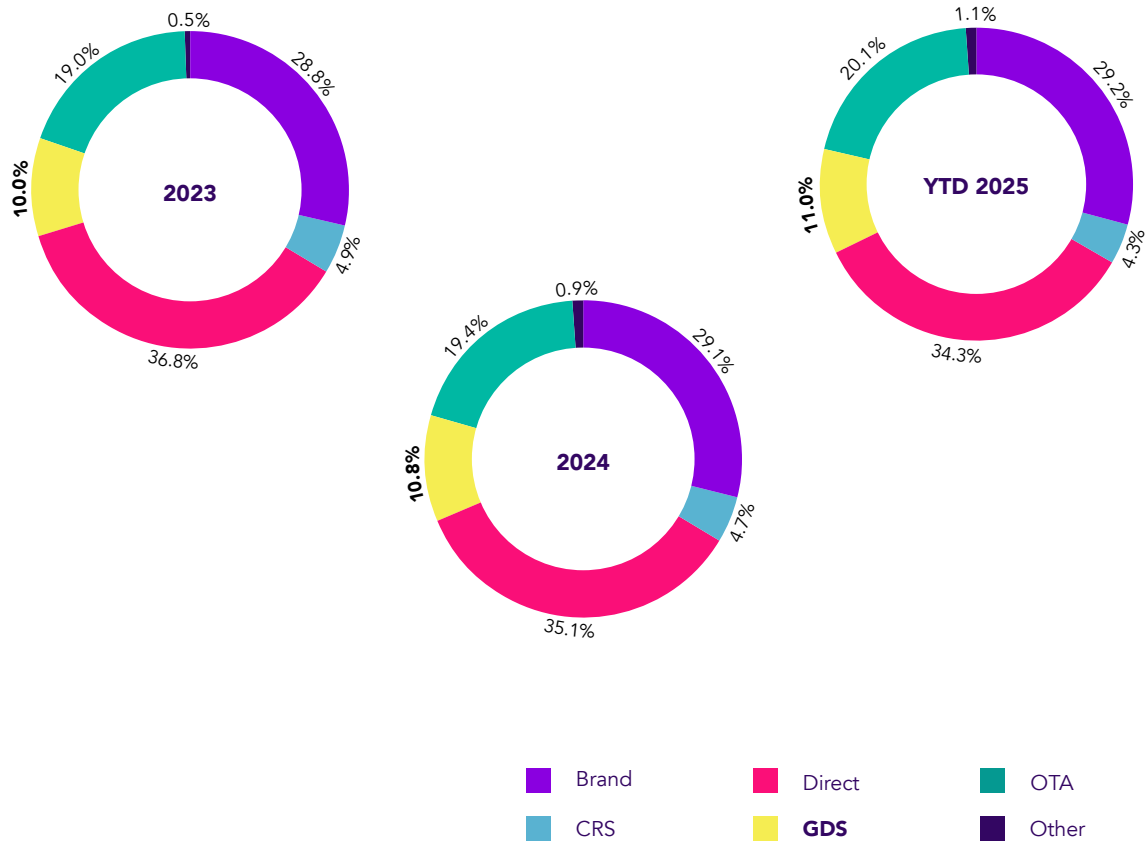
Metric	Channel	2023 Share	2024 Share	2025 Share	YoY Growth (2024 / 2025)
RNS Share	GDS	9.5%	10.1%	10.3%	+8.9% / +7.1%
	Direct	40.5%	37.9%	36.6%	-4.5% / +0.6%
Revenue Share	GDS	10.0%	10.8%	11.0%	+11.6% / +9.0%
	Direct	36.8%	35.1%	34.3%	-1.5% / +3.1%

Figure 7: **Global Share of RNS by Channel** Jan 2023 – Aug 2025



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Figure 8: **Global Share of Revenue by Channel** Jan 2023 – Aug 2025



## Interpreting Channel Value through ADR

Channel value differentiation becomes more visible when analyzed through ADR performance, with the GDS channel consistently capturing higher-value bookings.

In 2025, the GDS channel commanded a premium ADR that was \$11.70 above the global average. This rate grew year-over-year with an increase of +2.4% in 2024 and +1.7% in 2025 over the same period in 2024.

In contrast, the Direct channel's ADR was \$10.96 below the global average in 2025. While this indicates it attracts lower-value stays relative to other channels, it is important to note its ADR is not stagnant; it showed a YoY increase of +2.5% in 2025. This data suggests a direct link between the growth of the GDS channel and the growth of the Negotiated segment ADR, which is below the global average, similar to the Direct channel ADR. Additionally, these performance metrics highlight the booking patterns of the Corporate sub-segment.

# 4

Table 5: **Global ADR by Channel** Jan 2023 – Aug 2025

	Brand (\$)	CRS (\$)	Direct (\$)	GDS (\$)	OTA (\$)	Other (\$)	
ADR Global	2023	181.23	191.02	155.07	180.82	179.31	164.67
	2024	181.82	191.77	159.93	185.18	176.12	155.74
	YTD 2025	182.27	195.92	163.08	185.75	173.20	161.62
ADR difference from total average	2023	10.63	20.42	(15.53)	10.2	8.71	(5.93)
	2024	8.90	18.84	(12.99)	12.25	3.20	(17.18)
	YTD 2025	8.22	21.88	(10.96)	11.70	(0.85)	(12.42)
ADR YoY CHANGE	YoY 2024	0.3%	0.4%	3.1%	2.4%	-1.8%	-5.4%
	YoY 2025	0.5%	2.3%	2.5%	1.7%	-1.3%	5.0%

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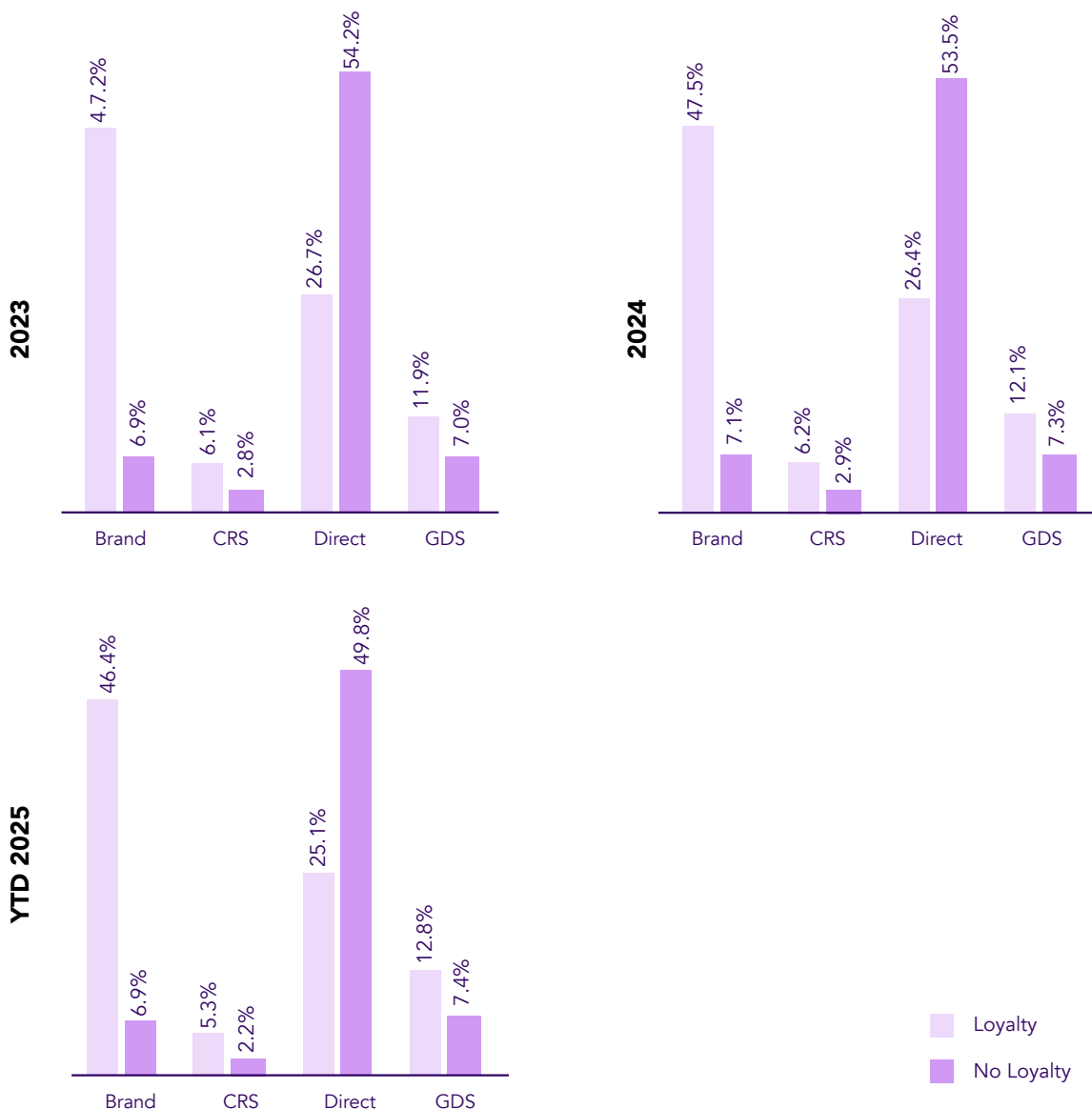
## Channel Share of Loyalty vs. Non-Loyalty Bookings 2023 – Aug 2025

External industry sources, such as Skift State of Travel, 2025<sup>1</sup>, indicate that total direct hotel bookings in 2024, across both digital and non-digital channels, increased by 30% compared with 2019 levels. This provides useful context for understanding how loyalty and non-loyalty demand are distributed across channels.

Within the dataset, Brand.com continues to hold the largest share of loyalty related bookings. However, only 15.4% of room nights booked through this channel are attributed to Corporate, Group, or other Negotiated sub segments.

Our data further indicates a shift in the distribution of loyalty program bookings, as the GDS share of loyalty bookings has been increasing since 2023 and now accounts for around 12% of the total loyalty market. This trend may be related to Direct channel erosion, which could be attributed to nonloyalty bookings dropping from 54.2% in 2023 to 49.8% in 2025.

Figure 9: **Global Share of Booked Room Nights by Channel** Jan 2023 – Aug 2025



<sup>1</sup> Skift Research. 2025. State of Travel. Available at: <https://skift.com/insights/state-of-travel/>.

# 5

## What Do the Regional Differences Tell Us?

The most significant regional trends observed in ADR shaping corporate travel spending components are summarized below.

### Regions Experiencing Strong Overall ADR Growth

These regions saw a sharp or steady increase in overall ADR from 2023 to 2025, indicating rising costs for accommodations, though segment and channel change varies substantially:

	Segments	Channels3
<b>Middle East and Africa (MEA):</b>	<p>ADR rose sharply from \$192.95 in 2023 to \$203.42 as of August 2025.</p> <p>Group and Negotiated segments grew the most in 2025 (8.8% and 7.5% respectively).</p>	<p>OTAs and Brand.com had the highest ADR premiums, which is assumed to be driven by leisure market segments. Direct and GDS ADR also increased (6.1% and 4.6% YoY 2025, respectively).</p>
<b>Asia:</b>	<p>ADR grew consistently, from \$151.75 in 2023 to \$168.64 as of August 2025.</p> <p>Group and Negotiated segments experienced the highest YoY growth in 2025.</p>	<p>The GDS channel had the highest ADR premiums compared to the Asia ADR average (\$33.15 in 2025), and both Direct and GDS rates grew in 2025.</p>
<b>Latin America (LATAM):</b>	<p>ADR rose from \$155.18 in 2023 to \$166.66 by August 2025, although overall growth tapered off in 2025.</p> <p>The Retail ADR saw a 9% surge in 2025. Notably, the Negotiated segment rate difference deepened to \$50.09 below the regional ADR average for YTD 2025, highlighting a significant discount for contracted corporate rates.</p>	<p>Brand.com had the highest ADR premiums in 2025 (\$41.78).</p>

# 5

Segments	Channels
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ADR showed positive trend, increasing from \$158.96 in 2023 to \$166.59 as of August 2025.

## Canada:

The Retail segment dominates this market in ADR with the highest premium over the regional ADR for 2025.	CRS had the highest ADR premiums (\$35.30) and the highest growth YoY (6.2%) in 2025.
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## Regions with Stable or Declining ADR

These regions show either, stagnation, minimal growth, or an overall decline in ADR, yet a different outlook for Negotiated segment and different channels.

Segments	Channels
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This region showed a negative ADR trend, dropping from \$103.73 in 2023 to \$96.67 as of August 2025.

## Greater China:

Despite the overall decline, the Negotiated segment rates had the lowest negative YoY changes (-0.8% in 2025), which indicates that negotiated pricing resisted the overall market decline more than other segments.	The negative YoY change across all channels eased in 2025. GDS had the highest ADR premiums in 2025 (\$35.35).
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ADR in the US had only a minor positive increase, from \$176.41 in 2023 to \$178.38 as of August 2025.

## United States (US):

The Groups segment boasts a high premium (\$33.73 in 2025) and the highest YoY growth (3.3%) in the region. Negotiated segment ADR remains nearly \$10 below the regional average.	CRS had the highest ADR premiums (\$22.54).
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# 5

Segments	Channels
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ADR was relatively stable in 2024 but dropped to \$209.21 as of August 2025.

## South Pacific:

<p>Retail segment has a significant premium (around \$39) over the 2025 ADR average and Group and Negotiated segments are discounted by \$30.58 and \$27.27. The ADR for the two segments grew 4% YoY in 2024 only to stagnate over the same period in 2025.</p>	<p>Direct and GDS ADR are well below the annual averages, which aligns with the lower ADR for the Negotiated segment.</p>
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Accelerating ADR trend from \$197.6 in 2023 to \$208.66 as of August 2025.

## Europe:

<p>Negotiated segment rates grew by 6.0% in 2025, and were \$3.41 higher than the ADR average for YTD 2025, suggesting an uptick in corporate ADR relative to the overall market.</p>	<p>Brand.com had the highest ADR premiums, but CRS and GDS demonstrated the highest YoY growth (3.8% and 3.6%, respectively).</p>
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# 5

## Key Channel and Segment Trends Affecting Corporate Rates

Across multiple regions, specific segments, and distribution channels demonstrate high volatility or large premiums/discounts that reflect on corporate travel spending decisions. These regional ADR trends act as a barometer for hoteliers' ability to push corporate travel spend, for example, in key regions like Asia, MEA, and Europe.

Table 6: **Regional ADR Trends for Negotiated Segments and Channels**

Segment	Channel Global Trend	Regional Trends
<b>Negotiated Segment</b>	Generally lower than the global ADR average (\$17.20 lower in YTD 2025).	Experienced high YoY growth in Asia, MEA, and Europe, suggesting corporate rate increases (9.3% in Asia 2024, 5.1% in MEA 2025, 6.0% in Europe 2025).
<b>Group Segment</b>	Experienced among the highest YoY growth globally (4.5% in 2024 and 2.5% in 2025).	Showed high premiums in the US (\$33.73) and LATAM (\$41.78). Experienced the highest YoY growth in MEA (8.8% in 2025).
<b>CRS Channel</b>	Has the highest ADR premiums compared to the global ADR average (\$21.88 premium in 2025).	Had the highest premiums in Canada (\$35.30) and the US (\$22.54) in 2025.
<b>GDS Channel</b>	Runner-up globally for ADR premium (\$11.70 premium in 2025).	Showed the highest ADR premiums in Asia (\$33.15) and Greater China (\$35.35) in 2025.
<b>Direct Channel</b>	Generally among the lowest globally. Largest discount in MEA (-\$15.73) and smallest discount in the US (-\$2.35).	The highest ADR growth in Asia (+9.3%) in 2025 and the largest decline in Greater China (-3.2%).
<b>Brand Channel</b>	Has the highest ADR premiums in LATAM (+\$41.78).	The highest ADR growth in Europe (+2.8%) in 2025 and the largest decline in Greater China (-4.1%).

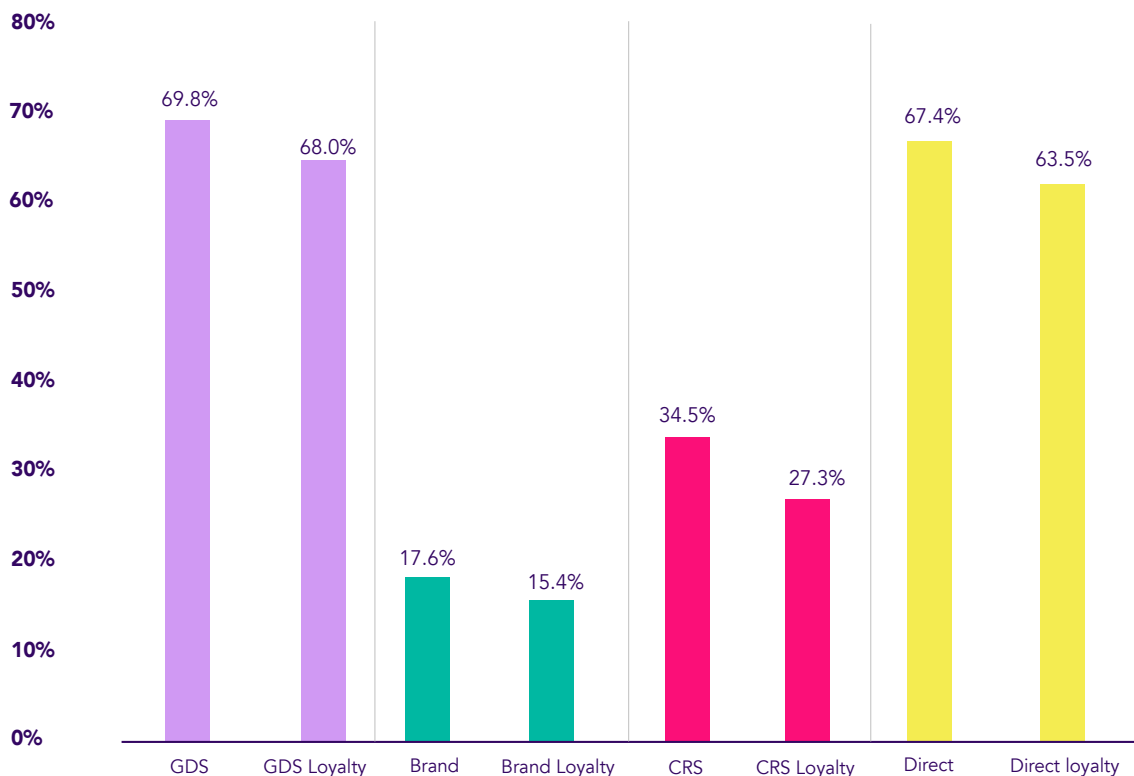


# Where Do Negotiated and Group Segments Book?

While business travelers in 2025 overwhelmingly travel for business development (72%), client site visits (44%) and conferences and events (36%) (Skift, 2025)<sup>1</sup>, the records from the segment and channel analyses of global room nights booked in this report reveal a more granular profile of the modern business traveler. The data demonstrates a meaningful representation of trips with a business purpose in the global market across all channels. In our dataset and in agreement with the segmentation of the leading hotel groups, Consortia (1.3%), Corporate (15.1%), and Government (4.9%) sub-segments constitute the shares of business travelers that book either via managed programs within their organizations' travel policies or outside of travel policies (unmanaged travel).

Groups are the most opaque segment, with 16.9% representation globally, as the trip purpose in hotel systems is not as discernible among leisure tours, conferences, and other business events. Furthermore, Groups predominantly book Direct (often via third party systems tied to the hotels' sales and catering platforms) and make up 39% of all booked room nights on that channel in YTD 2025. External sources, such as MarkWide Research's 2025 Global Business Travel Lodging Market<sup>2</sup> estimate that ~30% of Group global travel spend is managed, compared to ~6% unmanaged.

Figure 10: **Negotiated** (Corporate, Consortia, Government) **& Group as Percent of Total Channel vs. Loyalty Booked Room Nights** YTD 2025

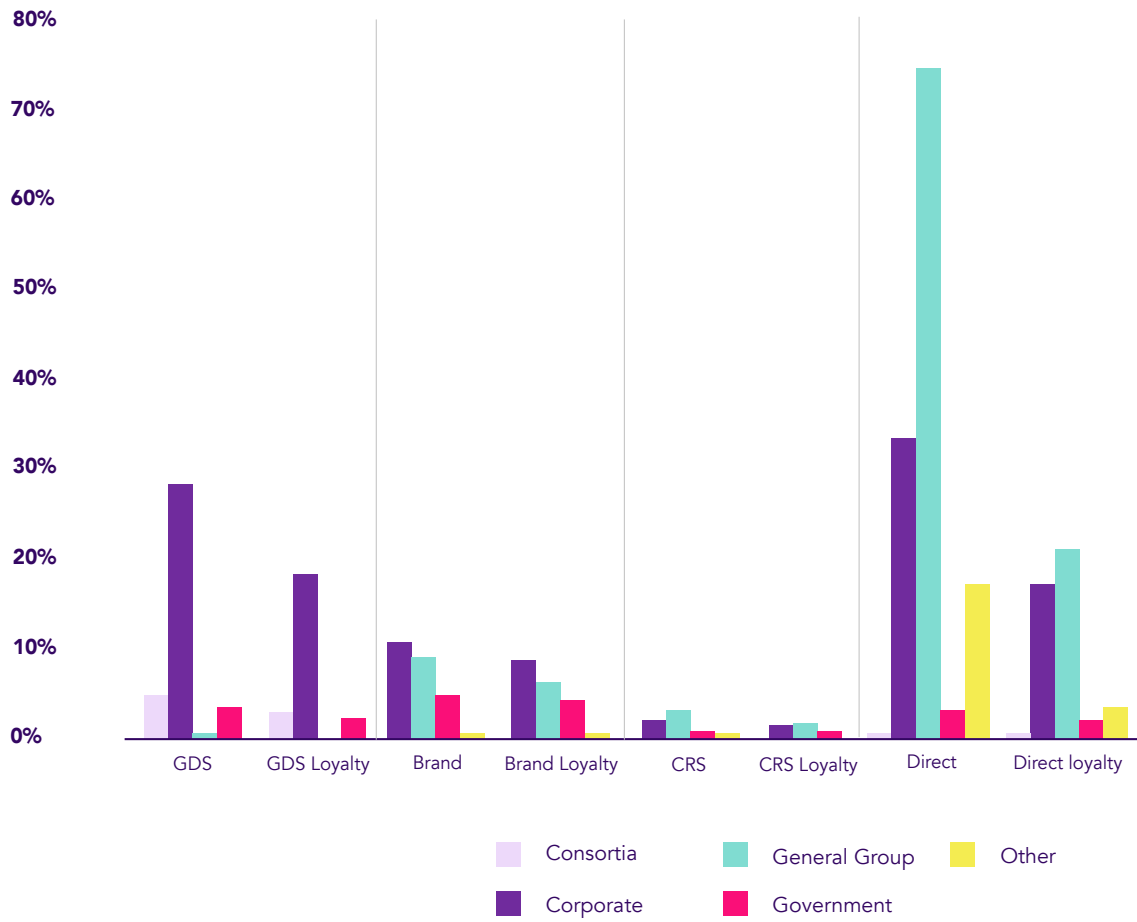


<sup>1</sup> Skift Research. 2025. State of Travel. Available at: <https://skift.com/insights/state-of-travel/>.

<sup>2</sup> MarkWide Research. 2025. Global Business Travel Lodging Market. Available at: <https://markwideresearch.com/business-travel-lodging-market/>



Figure 11: **Volume of Booked Room Nights by Market Sub-Segment and by Channel**  
YTD 2025

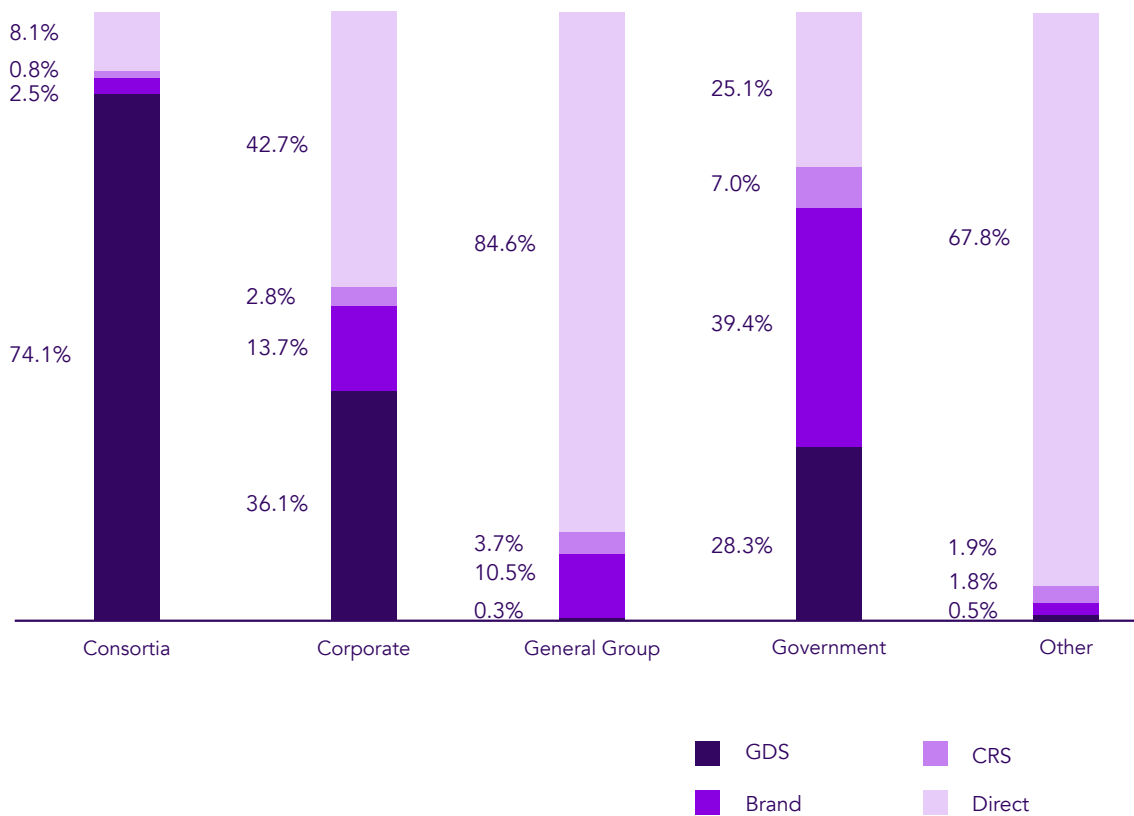




## 2025 Channel Preferences of Negotiated and Group Sub-Segments

An examination of the 2025 channel mix for distinct business travel sub-segments confirms the GDS and Direct channels' central roles. For managed travel programs, GDS is the dominant booking source. While the Direct channel leads in 'Corporate' bookings (a mix of managed and unmanaged travel), the GDS is the clear leader for Consortia and a powerful secondary channel for both Corporate and Government business. Unlike the Corporate sub-segment, the Government sub-segment turns to Brand.com over GDS and Direct channel for bookings. Groups, regardless of trip purpose, primarily book Direct with a whopping 84.6% room nights. Direct also dominates Other, unclassified sub-segments at 67.8% share.

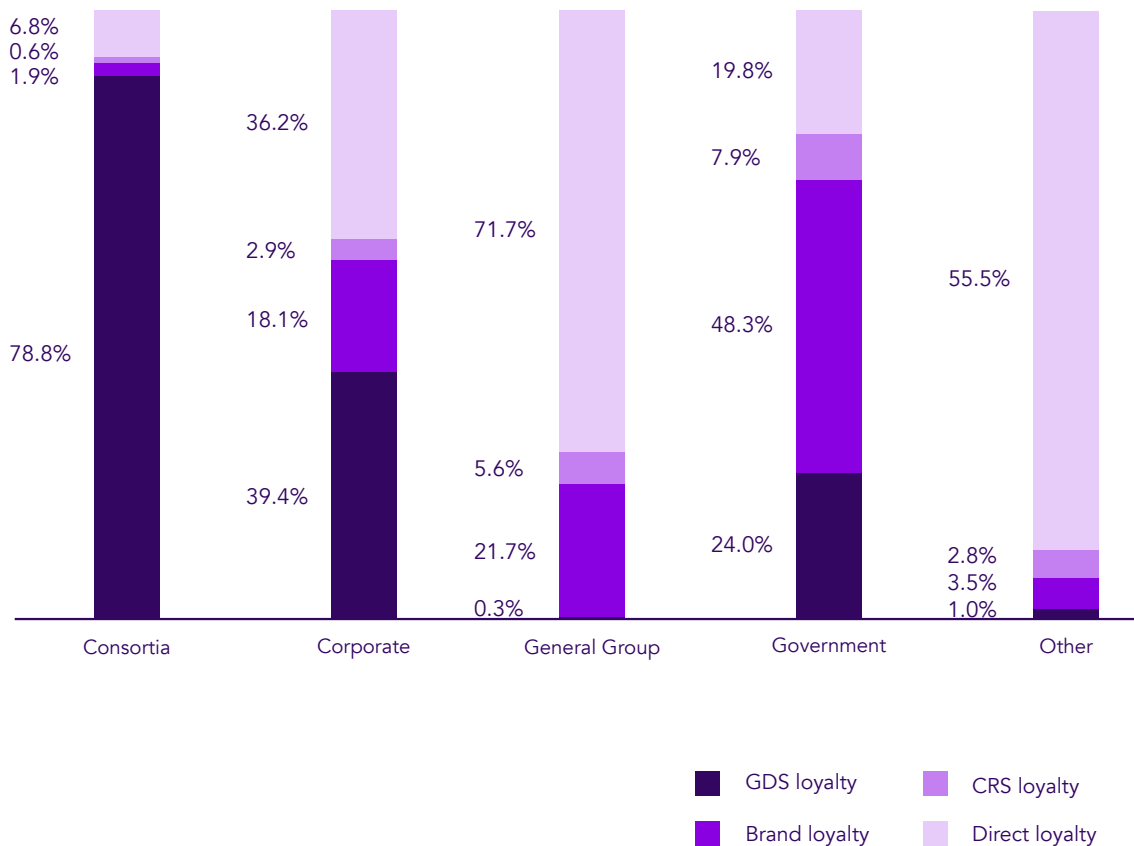
Figure 12: **Share of Channels within Booked Room Nights with Business/Meeting Purpose YTD 2025**



This channel preference is even more pronounced among booked room nights with a loyalty membership to a hotel brand or group loyalty program. GDS leads Consortia with 78.8% share of loyalty room nights and surpasses Direct among corporate loyalty room nights with 39.4% share. Direct channel prevails among Groups (71.7%) and Other segments (55.5%), though at a somewhat lower share.



Figure 13: **Share of Channels within Loyalty Booked Room Nights with Business/Meeting Purpose YTD 2025**



A potential explanation could be that the loyalty-building aspect of third-party channels such as GDS is particularly enticing to travelers with loyalty membership who prefer to accrue points for business trips to use them toward leisure or bleisure stays, or apply loyalty perks and upgrades. Loyalty programs matter to more than eighty percent of 1,000 agents from Amadeus' 2024 Global Travel Seller Report<sup>3</sup>. The same agents also recognized that a quarter of their agency bookings are for bleisure purposes. Newer online booking tools enable travelers to link their business and leisure trips to the same records and streamline expense reporting and reconciliation—a convenience that likely motivated a surge in bleisure trips from 48% in 2024 to 79% in 2025 per Skift's projections (Skift, 2025)<sup>1</sup>.

According to the GBTA's 37th Business Travel Industry Sentiment Poll (2025)<sup>4</sup>, 43% of travel managers indicate their employees occasionally pay the difference to upgrade themselves for individually preferred or out-of-policy travel options and 26% of these upgrades are hotel room-related. This behavior is more common in North America and Asia Pacific compared to EMEA and Latin America.

<sup>1</sup> Skift Research. 2025. State of Travel. Available at: <https://skift.com/insights/state-of-travel/>.

<sup>3</sup> Amadeus. 2024. Global Travel Seller Report. Available at: <https://www.amadeushospitality.com/resources/webinar-replay-global-travel-agent-study/>.

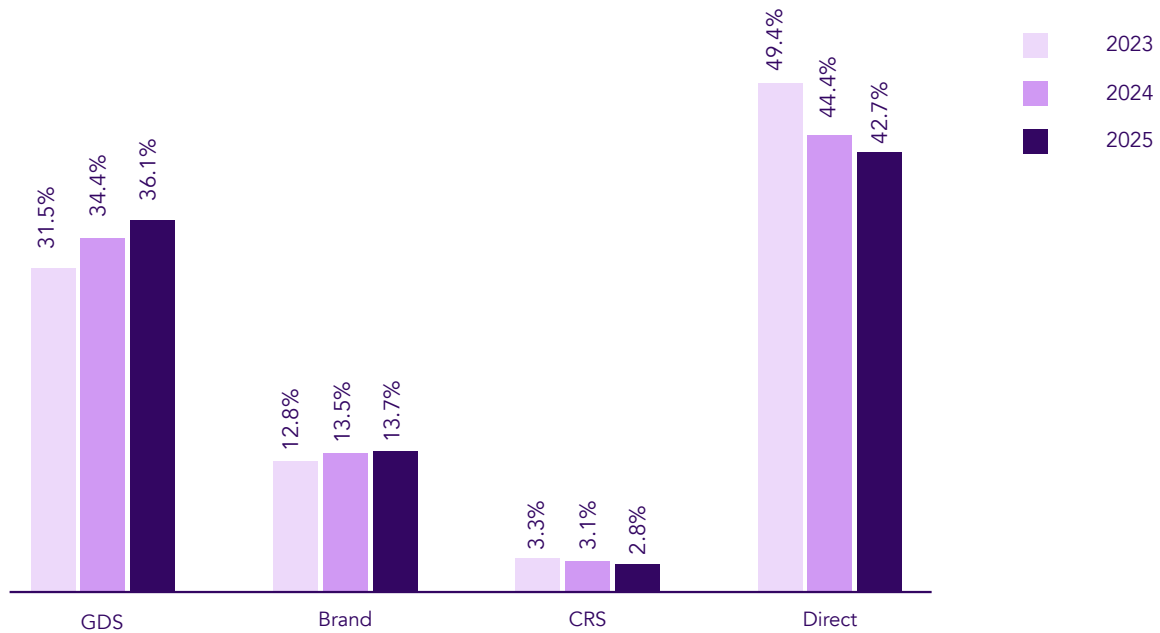
<sup>4</sup> GBTA. 2025. Business Travel Industry Sentiment Poll. Available at: <https://gbta.org/wpcontent/uploads/GBTA-Business-Travel-Outlook-Poll-Results-publication-October-2025-FINAL.pdf>



# The Migration of Corporate Bookings to GDS (2023-2025)

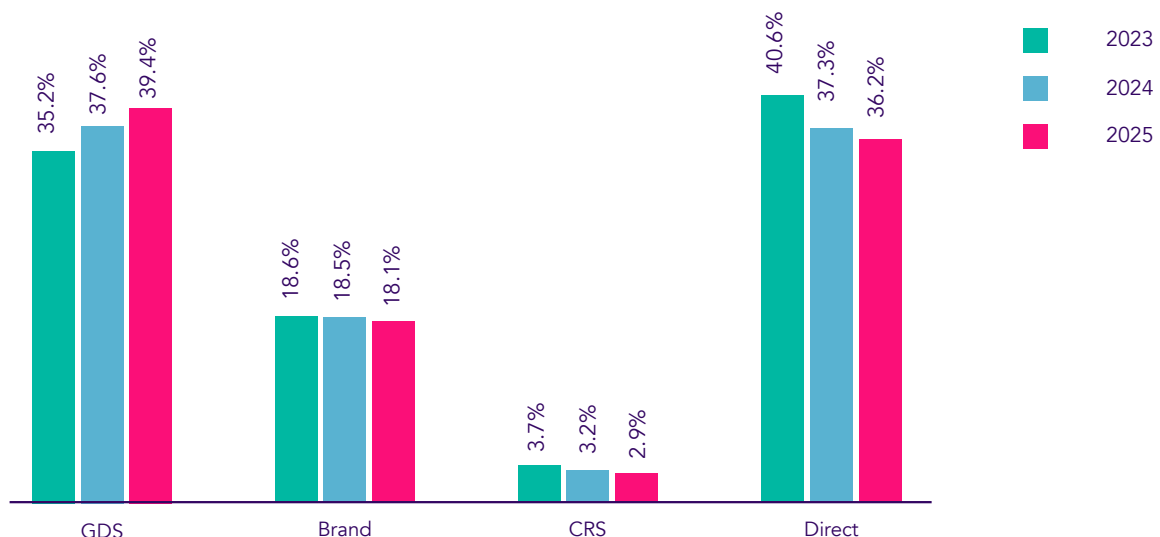
The multi-year trend shows an unambiguous migration of corporate travelers from Direct channels to the GDS. From 2023 to 2025, the GDS share of corporate-booked room nights grew from 31.5% to 36.1%. In parallel, the Direct channel's share fell from **49.4% to 42.7%**, a **6.7 percentage point drop that quantifies the magnitude of this erosion.**

Figure 14: **Share of Corporate Booked Room Nights by Channel** Jan 2023 – Aug 2025



This trend is even more pronounced among corporate travelers with loyalty membership. Analysis of corporate loyalty bookings shows that the GDS share grew from 35.2% in 2023 to 39.4% in 2025. This growth had its momentum, and in YTD 2025, GDS surpassed the declining Direct channel (which fell from 40.6% to 36.2%) to become the leading channel for corporate loyalty bookings.

Figure 15: **Share of Corporate Loyalty Booked Room Nights by Channel** Jan 2023 – Aug 2025



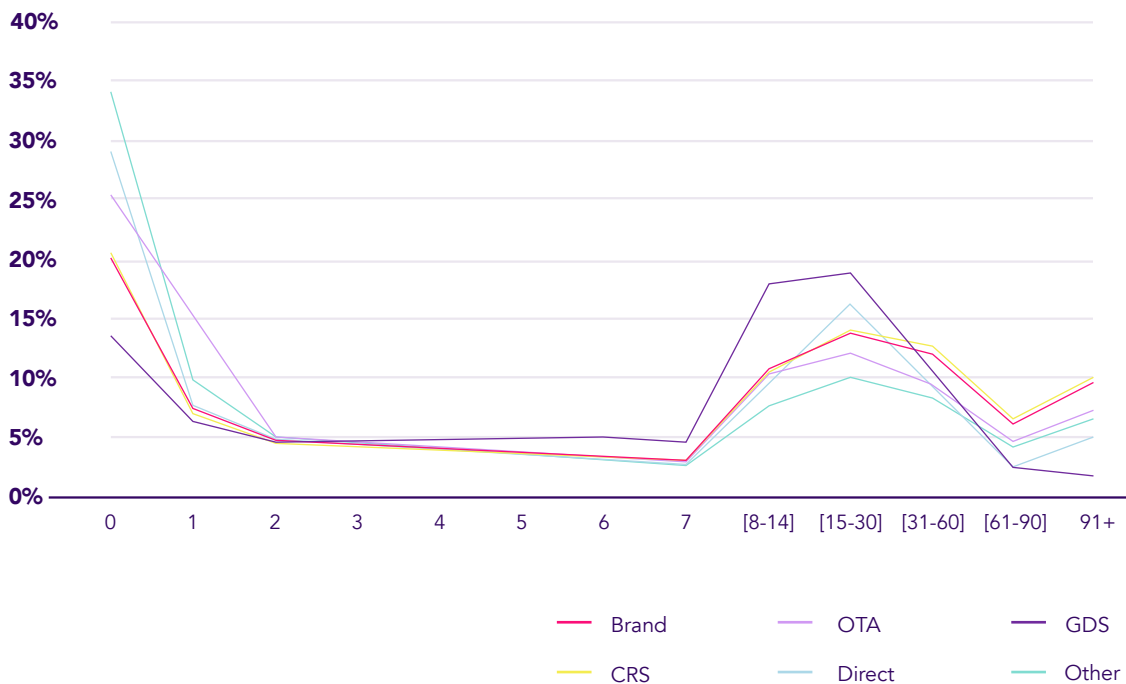
# 7

## Behavioral Analysis

### Booking Lead Times and Rate Implications

Behavioral data further distinguishes GDS bookers as more valuable, planned travelers. GDS users are planners, with 35.6% of reservations made 8-30 days and almost 10% of reservations 30-60 days in advance. They are the least likely of any channel user to book for same-day arrival (7.2%). This contrasts sharply with Direct channel users, where nearly one-third (32.1%) of all reservations are for same-day arrival and 26.9% for 8-30 days booking horizon, indicating a more transient, less predictable customer base. In part, these statistics could be attributed to the last-minute same-day bookings of corporate travelers unable to modify their reservations without calling their agencies. While our data indicated similar booking horizons to 2024, expert interviewees observed somewhat shorter booking windows for business flagged segments in 2025 than in 2024.

Figure 16: **Booking Lead Times by Channel** YTD 2025



This planning behavior provides a distinct strategic advantage. The stable and predictable revenue base from high-ADR GDS bookings allows for more sophisticated yield management for the last-minute inventory often booked via the Direct or Other channels. The ability to secure premium rates is evident in the data: after the March 2025 peak booking month, the GDS channel's ADR rose by 4.5% in April, demonstrating its capacity to command higher rates and solidifying the consolidation of high-value corporate travel within its ecosystem.



Figure 17: **Booking Lead Times for GDS YTD 2025**

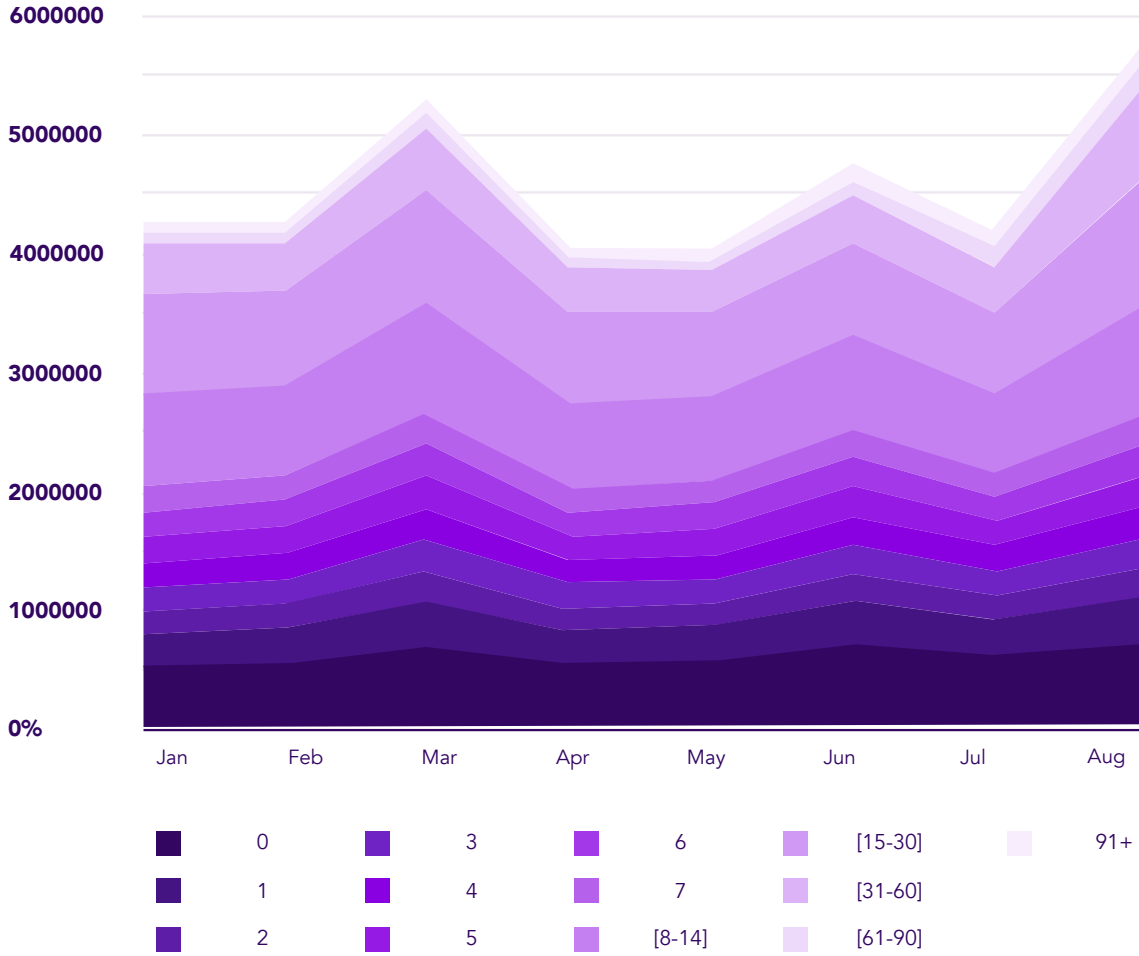
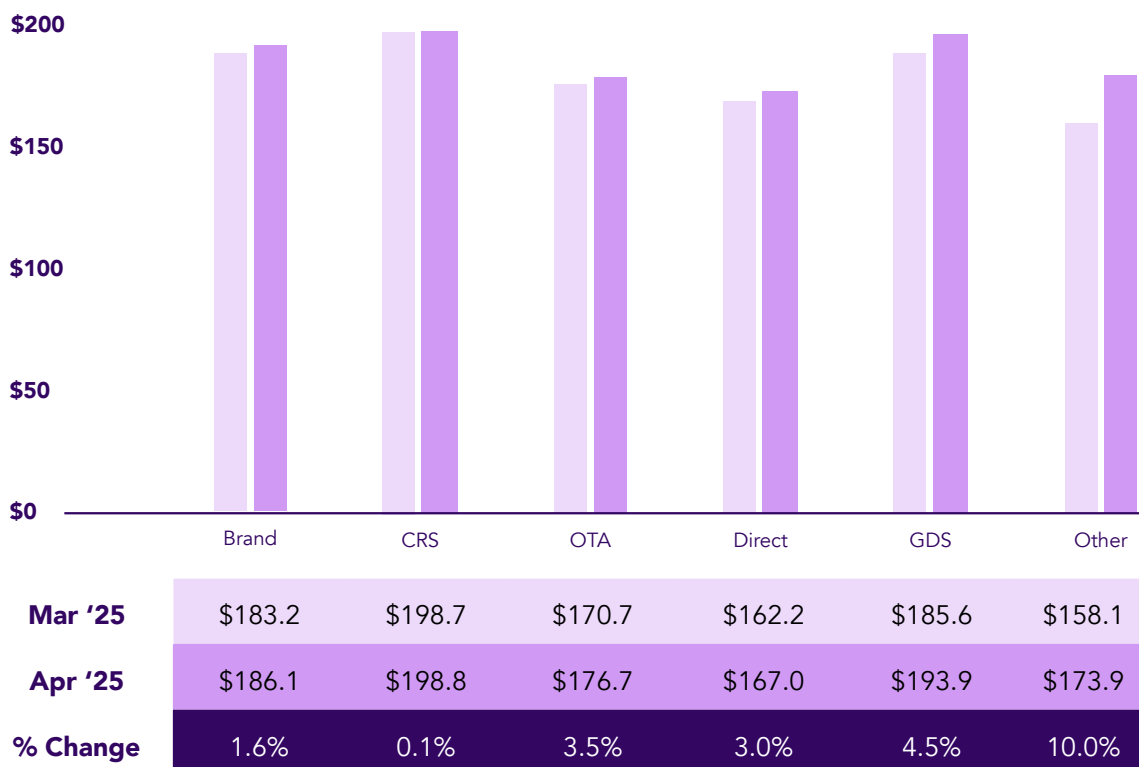


Figure 18: **Example: ADR Change following Peak in Booked Nights (Mar – Apr 2025)**

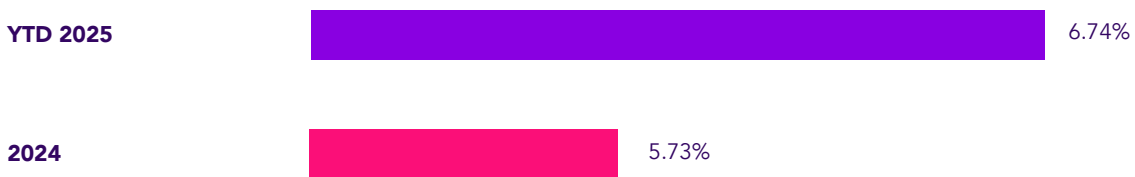


# 7

## Cancellations and Refunds

In terms of operational friction, performance metrics from PMS data reveal that cancellations of business and leisure segments combined in YTD 2025 comprise 6.74% of total reservations, and no-shows account for 1.44% of the total. This represents a 1% increase from 2024. It is important to note that the tracking of refunds remains inconclusive due to some adjustments being processed within the enterprise resource planning software rather than the PMS.

Figure 19: **Cancellations of Business (Negotiated) and Leisure (Non-negotiated) Segments from PMS**



## Spending Behavior

Furthermore, a review of ancillary revenue streams, specifically Food & Beverage spend, highlights its significance, averaging 23.1% of total revenue across all folios in YTD 2025, an increase from 21.9% in 2024. Although great variance exists across hotel segments and geographies, the negotiated business segment is shown to spend 21% of its total revenue on F&B, slightly below the leisure segment's contribution of 24%.

Figure 20: **Food & Beverage Spend of Negotiated vs. Non-negotiated Segments**



## Length of Stay

Transient travelers, business and leisure combined, stay slightly longer in YTD 2025, 2.4 days on average, compared to 2.1 days on average in 2024. This is consistent with 2.1 – 2.2 length of stay for business segments from interviews with our hotel experts. They observed that while typical corporate travelers stay closer to two nights, bleisure travelers extend their trips to 3 – 4 nights, which likely drives the average length of stay in 2025. This longer duration of trips is observed in external sources, such as GBTA's Business Travel Industry Sentiment Poll. One-third of business travel buyers noticed a decrease in the number of single-day trips (32%) and a corresponding longer duration of trips (33%) over the past year (GBTA, 2025)<sup>4</sup>.

<sup>4</sup> GBTA. 2025. Business Travel Industry Sentiment Poll. Available at: <https://gbta.org/wpcontent/uploads/GBTA-Business-Travel-Outlook-Poll-Results-publication-October-2025-FINAL.pdf>



# What Trends do Hotels See?

The methodology for gathering qualitative insights involved interview and survey sessions with hotel distribution directors from multiple brands, a mix of global and regional chains, to understand their approaches to serving the negotiated travel market, including rate management, loyalty, and profitability. This research was complemented by data collection through instruments like SurveyMonkey, which utilized a combination of open-ended and close-ended questions to validate industry trends and gather feedback on topics such as business mix and booking preferences. A series of follow-up interview sessions delved deeper into managed vs. unmanaged travel market trends.

## Defining Managed vs. Unmanaged Traveler

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Hotels define managed travelers primarily based on the presence of a negotiated relationship or the distribution path utilized, commonly classifying segments such as Business transient, Consortia, Negotiated Direct, and Negotiated Indirect as managed travel. The core definition often centers on a traveler having a governed negotiated corporate agreement or booking through a TMC. Conversely, unmanaged segments are typically identified as independent business travelers and leisure guests who lack a corporate identification or program, though they may still exhibit typical corporate stay patterns (e.g., Tuesday–Wednesday stays of 2–2.2 nights). Some companies operate with “semi-managed” travel programs, where policies exist but bookings are not strictly routed through a TMC.

## Operational Perceptions of Managed Traveler Profitability

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Perceptions regarding the profitability of the managed segment are varied. While managed travelers consistently deliver predictable revenue and higher occupancy for all, their ancillary spend is perceived differently, depending on the hotel chain size and type of properties in the portfolio. For resorts, ancillary spend of corporate travelers is traditionally lower than that of leisure travelers, but in full-service business hotels, corporate travelers are much more profitable. Hotels observe that non-negotiated travel often correlates with higher ancillary spend on property amenities like restaurants for full-service properties, or golf, and spa for resorts. Managed travelers who extend their stays (i.e., “bleisure” segments) also show higher ancillary spend, particularly during leisure months. From a distribution cost viewpoint, smaller or regional hotel groups generally find the leisure segment potentially more profitable because the negotiated corporate rate is discounted and booked via costly TMC channels.

The average length of stay for managed corporate segments is short, typically 2.1–2.2 days to 2–3 nights, although negotiated bleisure stays can extend this average to 3–4 nights. Efforts are being made to capture small and medium enterprises (SMEs) lacking volume for negotiated contracts to book directly with hotels through dedicated initiatives, such as specialized “Business” programs, often offering a discount if booked directly.



## Effectiveness of Corporate Rate Controls and Parity Enforcement

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Some hotels strive to maintain consistent corporate pricing by providing parity rates to TMC and consortia partnerships. Despite these internal controls, maintaining parity across the ecosystem remains challenging. GDSs are favored for their transparency, rate control, and zero unauthorized rate distribution, unlike OTAs and bedbanks. According to 2024 Global Travel Seller Report<sup>3</sup>, nearly 60% of agents place utmost importance on rate parity. OTAs offer more flexible and efficient promotional tools than the GDS. This technological difference can lead to OTA promotional rates being pulled through TMC partnerships, resulting in those rates appearing more attractive to targeted corporate travelers than the specifically negotiated corporate rates on online booking tools (OBTs). Furthermore, some rate leakage has been observed, where negotiated rates bleed into consortia rates due to parity demands. Hotels monitor this situation by collaborating with TMCs and using real-time intelligence to track distribution health.

## Use of Loyalty Programs in Business Traveler Acquisition

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Corporate travelers value a combined offering of loyalty benefits, negotiated rates, and booking convenience. Loyalty programs exert a major impact on securing repeat business from managed travelers. For bookings made through traditional GDS or TMC channels, loyalty benefits (e.g., points based on spend, upgrades) are typically provided. However, travelers booking through OTAs generally do not earn hotel loyalty points.

The pursuit of loyalty incentives, especially membership rates offering a 5–10% discount, is a primary driver of traveler migration toward direct bookings. In a shift aimed at improving employee retention and wellness, corporations experiment with allowing travelers flexibility to book directly with suppliers, provided they adhere to travel policy and report booking for duty of care and expense reconciliation purposes. This flexibility is supported by suppliers who incentivize direct bookings by offering loyalty benefits outside of traditional corporate booking tools. Conversely, some brands have chosen not to extend loyalty member rates to agencies, noting that agencies frequently negotiate greater discounts than the standard loyalty member rates. Nevertheless, 37% of travel agents from Amadeus' (2024)<sup>3</sup> study tend to shop around for rates on alternative searching tools.

## ROI Assessment of Distribution Strategies

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Assessing the ROI of distribution strategies reveals significant variation in channel costs. The agency channels (TMCs/Consortia) are typically the higher end, with acquisition costs reaching up to 40%. OTA costs can also be on the higher end. In contrast, the direct channel is typically identified as the most efficient with costs ranging from 15-18% for large accounts. The GDS incurs specific costs, including a transaction fee and an override fee to the TMC. This can result in GDS costs that are comparable to those of an OTA. However, GDS adds more value by allowing hotels to have control over traveler information.

<sup>3</sup> Amadeus. 2024. Global Travel Seller Report. Available at: <https://www.amadeushospitality.com/resources/webinar-replay-global-travel-agent-study/>.



Operational factors such as stay patterns and cancellations also influence perceived guest value. Some hotels notice the corporate booking window has recently shortened due to geopolitical and economic conditions, decreasing from a typical range of 8 to 45 days down to approximately 30 days. Correspondingly, corporate travel cancellation rates have gone up in 2025, and almost doubled in the US market.

Despite the high cost of intermediaries, the GDS remains dominant for corporate bookings. Nevertheless, hotels generally prioritize direct bookings due to Corporate Travel Value Nov 2025 36 their efficiency and lower cost profile. OTAs, while costly, are also valued for their ability to streamline revenue management through the easy creation of promotions and targeted segment sales.

## Future Outlook

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The managed travel segment is expected to continue evolving, with increased focus on traveler experience, flexibility, and integrated technology. As travel programs grow more complex, TMCs and OBTs are shifting toward rate aggregation models that combine negotiated corporate rates, dynamic public rates, and select direct or OTA content into a single, policy-compliant booking experience.

GDSs remain a core source of structured, reliable rates within this ecosystem, particularly for managed travel programs that prioritize consistency, duty of care, and reporting. OBTs increasingly enrich GDS-sourced hotel content with images, room details, and sustainability attributes to support better traveler decision-making while maintaining program controls. Targeted marketing and preferred placement campaigns continue to resonate with smaller and regional hotel groups, delivering measurable visibility and return within corporate demand.

Although hotels and corporate buyers are actively evaluating new connectivity and commercial models, the managed travel segment continues to demonstrate strong fundamentals. Corporate travelers typically contribute higher mid-week occupancy and RevPAR and show greater loyalty compared to other segments. As a result, managed corporate travel remains an important component of hotels' broader commercial and distribution strategies, with ongoing investment expected as technology, retailing, and traveler expectations continue to advance. With the advent of Gen AI and Agentic tools it will be interesting to see how buyers and agencies evolve their booking tools and workflows. The travel tech ecosystem supporting managed travel will need to evolve as well.

# 9

## Conclusion

By synthesizing findings from secondary data sources on global hotel performance, a case of business travel on-property behavior from a sample of PMS hotel data, and the qualitative insights from hotel brands, the preceding analysis moves beyond simple data points to reveal both global outlook, segment and channel-specific strategic intelligence, and booking and stay patterns of the corporate and similar negotiated travel market. The findings illustrate a clear and consequential realignment in the corporate travel market with implications for channel value and segment behavior.

## Implications and Recommendations

These findings present both a challenge and an opportunity for hotel distribution, sales, and revenue teams.

**01** Despite the regional drawbacks and sluggish recovery, Negotiated segment's stable share and ADR growth contribute to a more predictable demand landscape. However, looming geopolitical uncertainty and trade policy may hinder growth (GBTA, 2025)<sup>4</sup>.

**02** Strategies heavily reliant on the Direct channel to capture corporate business require re-evaluation of volume vs. value. The assumption that corporate travelers, even loyalty members, will default to direct booking is no longer supported by the data.

**03** Groups are a sizeable market with a stable share, the highest global year-over-year ADR growth, and a sizeable source of ancillary revenue, best captured by the value-oriented direct relationships with hotels. For the corporate travel market, business group conferences are a foreseeable leakage from travel programs.

**04** Hotels are looking to strengthen GDS channel strategy. This involves more than just presence; it requires a focus on partnerships, content, and rate optimization to effectively capture the valuable, planned corporate travel segment that resides there.

Future market leadership will be defined by strategically aligning with the high value corporate segment in their channels of choice. For hoteliers, the managed travel segment should be evaluated as part of the larger commercial optimization strategy. Not every channel or segment behaves the same: booking windows, cancellation rates, ADR, length of stay, on-property spend, loyalty attachment, and service costs vary among corporate managed travel, retail OTAs, wholesale, group, and direct. That's why "value" should be assessed through a 360° lens—net contribution and traveler quality after factoring in acquisition cost, operational friction, and displacement, not simply headline ADR or commission. In an era where rate parity, brand integrity, and cost governance matter as much as volume, this clean, controlled access to corporate demand is a meaningful lever alongside direct and other channels.

<sup>4</sup> GBTA. 2025. Business Travel Industry Sentiment Poll. Available at: <https://gbta.org/wpcontent/uploads/GBTA-Business-Travel-Outlook-Poll-Results-publication-October-2025-FINAL.pdf>

# Glossary of Terms

Term	Full Form or Type	Definition
<b>ADR</b>	Average Daily Rate	Average room revenue per sold room night.
<b>CRS</b>	Central Reservation System	System managing inventory, rates and availability. Hotel bookings can also be made via a CRS.
<b>GBTA</b>	Global Business Travel Association	Industry source for business travel spending data.
<b>GDS</b>	Global Distribution System	B2B distribution platform.
<b>HEDNA</b>	Hotel Electronic Distribution Network Association	Industry body providing hotel network and booking data.
<b>NYU SPS Tisch Center</b>	NYU SPS Jonathan M. Tisch Center of Hospitality	Referenced for the NYU School of Professional Studies, Jonathan M. Tisch Center of Hospitality.
<b>OTA</b>	Online Travel Agency	Online intermediaries selling hotel inventory to consumers.
<b>RNS</b>	Room Nights Sold	Count of individual room nights booked or consumed.
<b>YoY</b>	Year on Year	Comparison with the same period in the previous year.
<b>YTD</b>	Year to Date	Cumulative performance from the start of the year.
<b>Managed travel</b>	Segment	Corporate, consortia, government and some group business under formal policy.
<b>Unmanaged travel</b>	Segment	Travelers booking outside policy or controlled channels.
<b>Corporate segment</b>	Segment	Business travel stays tied to corporate needs and negotiated rates.
<b>Consortia</b>	Segment	Agency or organizational networks aggregating business travel demand.

<b>Government segment</b>	Segment	Public sector travel included in managed travel.
<b>Group segment</b>	Segment	Rooms contracted for group events or meetings.
<b>Retail segment</b>	Segment	Publicly available non discounted rates.
<b>Discount segment</b>	Segment	Price-sensitive or promotional rates. Sold below the rack rate .
<b>Negotiated segment</b>	Segment	Contracted corporate or consortia rates.
<b>Direct channel</b>	Channel	Bookings captured directly with the hotel for example walk-ins or phone reservations handled by the property.
<b>Brand.com channel</b>	Channel	Bookings made directly through a properties' official website.
<b>CRS channel</b>	Channel	Bookings made through the Central reservations System, commonly known as 1-800 voice reservation line
<b>GDS channel</b>	Channel	Demand flowing through global distribution systems.
<b>OTA channel</b>	Channel	Demand coming via online travel agencies.
<b>Loyalty channel</b>	Channel	Demand from hotel bookings that are influenced or driven by hotel loyalty programs.
<b>Yield optimization</b>	Concept	Focusing on revenue quality rather than volume.
<b>Room Nights Sold</b>	Metric	Count of booked or consumed room nights.
<b>Revenue share</b>	Metric	Percentage of total room revenue.
<b>Channel mix</b>	Concept	Distribution of bookings across channels.
<b>Traveler profile</b>	Concept	Characteristics influencing booking behavior.
<b>Booking behavior</b>	Concept	How travelers search and book across channels.
<b>Rate integrity</b>	Concept	Consistency and reliability of rates across channels.
<b>Amadeus Demand360</b>	Data source	Hotel performance dataset used in analysis.
<b>Mixed methods</b>	Methodology	Combining quantitative data with qualitative interviews.