Fuel Shock Keeps Business Travel Prices Elevated Through 2026 With Relief Ahead in 2027, According to New GBTA Forecast

Airfare, hotel, ground transportation, meetings & events costs to remain under pressure through year-end, driven by energy prices, labor costs and global demand

ALEXANDRIA, VA, UNITED STATES, July 28, 2026 /EINPresswire.com/ -- Following a year marked by unprecedented energy-market disruption and rising operational costs, global business travel prices are expected to remain elevated through the remainder of 2026 before beginning to moderate in 2027, with variations expected across regions.

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> *Suzanne Neufang, CEO, GBTA*

Pricing pressures are expected to ease gradually next year, but travel costs are unlikely to return to prior levels, as many of the forces driving higher prices have become long-term features of the industry rather than short-term disruptions.

This is according to the new 2027 Global Business Travel Forecast," released today by the Global Business Travel Association (GBTA) and ALTOUR, one of the world's largest travel management companies. The report examines the economic forces reshaping the cost of business travel globally, including energy prices, labor costs, aircraft supply constraints, currency fluctuations and other factors.

"Business travel remains a powerful indicator of business confidence. Companies continue to invest in face-to-face connections, customer relationships and growth despite higher costs and greater complexity," said Suzanne Neufang, CEO of GBTA. "Business travel may need to weather more uncertainty through this year. In this environment, a well-managed travel program is essential. Realizing travel's full value will depend on managed programs backed by strategic foresight, data and decision-making."

"The most acute impacts of the early 2026 energy-related inflation were beginning to ease, but we are likely to see elevated fuel-related inflation for the remainder of the year and the operating environment for business travel is not returning to what it was before," said Michael

Boult, SVP and Chief Commercial Officer of ALTOUR. “For organizations, the priority now is turning volatility into a more manageable and predictable planning discipline. That means using better forecasting, stronger supplier strategies, enforcing policies and gaining real-time visibility across categories and markets to keep business travel moving.”

Energy and Labor Remain the Dominant Cost Drivers

The forecast identifies energy prices and labor costs as the two most significant forces shaping business travel pricing. The 2026 closure of the Strait of Hormuz triggered the largest oil supply disruption on record, driving a sharp increase in crude oil and jet fuel prices and impacting airline operating costs worldwide. Although fuel prices have retreated from peak levels, labor costs continue to rise across airlines, hotels, ground transportation and events and meeting providers through multi-year agreements, wage inflation, and ongoing workforce shortages.

Airfares Face the Greatest Pricing Pressure

Air travel remains the most volatile category in the forecast, reflecting continued exposure to fuel costs, aircraft shortages, labor expenses and premium-cabin constraints.

- On average, global airfare is forecast to reach $756, up 4.7% versus 2025. Economy fares are projected to rise 8.7% in 2026 to $536.

- Premium fares (e.g. premium economy, business class and first class) are expected to increase 9.5% to $4,488, reflecting ongoing pressure on long-haul and premium travel markets.

- In 2027, airfare increases are expected to slow to 1.5% for overall fares, 1.1% for economy fares and 2.2% for premium.

- North America and EMEA are expected to experience some of the strongest airfare increases in 2026, driven by capacity constraints, higher operating costs and ongoing aircraft delivery delays.

- Latin America is seeing capacity grow alongside demand, helping moderate airfare increases.

Global Hotel Growth Masks Widening Regional Gap

Global hotel average daily rates (ADR) are expected to increase 3.7% in 2026 to $168, followed by a more moderate 1.8% increase in 2027 to $171.

- While demand remains robust, a record hotel construction pipeline is helping contain rate growth.

- Regional variation remains significant, with Latin America (9.5%) expected to record the strongest hotel pricing growth as demand outpaces new hotel development.

- This is followed by APAC (5%), which benefits from strong demand recovery, and NORAM (3.2%).

- EMEA (0.6%) remains the most stable hotel market, driven by softer demand.

Ground Transportation Stabilizes

Car rental, the largest component of managed ground transportation, saw rates decline in 2025. Average rates are forecast to increase 3.6% in 2026 to $46.50 per day before dropping 0.9% in 2027 to $46.10.

Among global regions, APAC rates in 2026 are expected to be highest at $57.70 per day, up 4.0%. Fleet availability and vehicle supply are stabilizing, helping moderate pricing pressure across most regions.

Meeting Budgets Rise Despite Cost Pressures

Meetings and events budgets are expected to increase through 2026 and 2027. While negotiated group hotel rates remain relatively stable, food and beverage, production and labor costs continue to put pressure on program budgets.

- Cost per attendee per day is forecast to increase approximately 3.0% to $263 in 2026 and 1.5% to $267 in 2027.

- Food and beverage and production expenses remain the primary drivers of meeting cost inflation.

Corporate Travel Managers Should Plan for Relief, Not a Reset

While travel cost growth is expected to moderate in 2027, prices are unlikely to return to 2025 levels. Structural factors including aircraft delivery delays, sustainable aviation fuel (SAF) requirements, labor shortages and geopolitical uncertainty are expected to result in a more costly travel environment.

Rather than relying on global averages, travel buyers should evaluate costs by region, market and category, as pricing drivers vary considerably around the world.

Methodology

The report examines the economic and industry forces shaping the cost of business travel across airfare, hotel accommodations and ground transportation through 2026 and 2027, combining historical data, macroeconomic indicators, industry metrics and market information with econometric modeling developed by the Avrio Institute.

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