

**ANTICIPATED
ACQUISITION BY GLOBAL
BUSINESS TRAVEL
GROUP, INC OF CWT
HOLDINGS, LLC.**

Final report

ME/7096/24
6 March 2025

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The Competition and Markets Authority has excluded from this published version of the Final Report information which the inquiry group considers should be excluded having regard to the three considerations set out in section 244 of the Enterprise Act 2002 (specified information: considerations relevant to disclosure). The omissions are indicated by [✂]. Some numbers have been replaced by a range. These are shown in square brackets. Non-sensitive wording is also indicated in square brackets.

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GLOSSARY

SUMMARY

OVERVIEW

1. The Competition and Markets Authority (**CMA**) has decided that the anticipated acquisition (the **Merger**) by Global Business Travel Holdings, Inc. (**GBT**) of CWT Holdings, LLC. (**CWT** and, together with GBT, the **Parties**), to create the **Merged Entity**, amounts to a relevant merger situation (**RMS**) that may not be expected to result in a substantial lessening of competition (**SLC**) in the global market for the supply of business travel agency (**BTA**) services to customers with high total travel spend (**TTV**) (indicated by an annual TTV of over \$25 million placed with a single TMC) and requirements spanning multiple distinct regions of the globe.¹

WHO ARE THE BUSINESSES AND WHAT PRODUCTS DO THEY SUPPLY?

2. GBT is a NYSE-listed travel management company (**TMC**) trading under the name 'Amex Global Business Travel'. It provides BTA services, including search, booking, and expense management, in the UK and globally.² GBT also operates Neo, an online booking tool (**OBT**), and Neo1, a cloud-based travel spend manager.³
3. GBT's 2023 turnover was approximately £1.8 billion worldwide and approximately £[] million in the UK.
4. CWT is a privately owned TMC. Much like GBT, it provides BTA services, including search, booking and expense management, in the UK and globally.⁴ CWT also operates an OBT, via chat, web and mobile app (myCWT), and a hotel booking platform (RoomIt) which provides hotel inventory and booking solutions for business travellers, and a distribution platform for hotel chains.⁵
5. CWT's 2023 turnover was approximately £[] million worldwide and approximately £[] million in the UK.

¹ All references to dollar (\$) amounts in this report are in US Dollars (USD).

² Final Merger Notice (**FMN**), 3 June 2024, paragraph 1.2.

³ FMN, paragraphs 3.3(a)-3.4.

⁴ FMN, paragraph 1.2.

⁵ FMN, paragraphs 1.3, 3.14-3.15 and 3.19.

OUR ASSESSMENT

Why are we examining this Merger?

6. The CMA's primary duty is to seek to promote competition for the benefit of consumers. It has a duty to investigate mergers that could raise competition concerns in the United Kingdom (**UK**), provided it has jurisdiction to do so.
7. In this case, the CMA has jurisdiction over the Merger because the Parties' overlapping activities meet the 'share of supply' jurisdictional test. We have calculated shares of supply on the basis of TTV generated in the UK in 2023 by customers whose global TTV exceeds \$25 million, and who place \$25 million or more with a single TMC. We found that the Parties' combined share of supply in the UK on this basis is [60-70%].
8. Both Parties provide BTA services to customers which include a range of UK headquartered business and international businesses with significant operations in the UK.

What evidence have we looked at?

9. In assessing the competitive effects of the Merger, we looked at a wide range of evidence in the round.
10. We examined the Parties' internal documents, which provide information on the types of customers they serve, who their rivals are, and the closeness of competition between the Parties and their rivals, as assessed by the Parties in the ordinary course of business. We spoke to and gathered information from third parties to better understand the competitive landscape faced by the Parties and obtain views on the impact of the Merger. In particular, the CMA received evidence from the Parties' customers and TMC competitors.
11. We received submissions and responses to information requests from the Parties, including the Parties' response to the CMA's Phase 1 Decision⁶ and the Interim Report,⁷ and held meetings with the Parties, including a teach in, the Initial Substantive Meeting and the main party hearing. Following the main party hearing, the Parties made a number of additional submissions and provided additional information in response to information requests.
12. Following the publication of our Interim Report and holding the main party hearing, we continued to collect and analyse evidence relevant to our investigation and

⁶ CMA, [Decision on relevant merger situation and substantial lessening of competition \(Phase 1 Decision\)](#), 30 July 2024. [Parties' response to the Phase 1 Decision](#), 23 August 2024.

⁷ CMA, [Interim Report](#), 6 November 2024. [Parties' response to the Interim Report](#), 27 November 2024.

conducted further analysis. We considered the additional evidence, and the Parties' representations received following the Interim Report and the main party hearing, in the round together with all other evidence received up to that point of our inquiry. This resulted in the revised provisional conclusion, which was set out in the Supplementary Interim Report,⁸ in response to which we received further submissions from the Parties⁹ and third parties.¹⁰

How we assessed the Merger?

13. Our approach to assessing the Merger is forward-looking, and accounts for the future evolution of competitive conditions. This includes a consideration of any likely change in competitive strength, any expansion plans by the Parties and their rivals, any technological change, and their likely impact on competition. We adopted a time horizon of two years for our assessment, in line with the CMA Merger Assessment Guidelines.¹¹

WHAT DID THE EVIDENCE TELL US...

... about what would likely happen if the Merger does not take place?

14. In order to determine what (if any) impact the Merger may be expected to have on competition, we have considered what would likely happen if the Merger does not take place. This is known as the counterfactual.
15. We consider that the appropriate counterfactual against which to assess the Merger is the prevailing conditions of competition whereby GBT and CWT would continue to compete broadly in the same way as they do now, recognising that CWT is currently a much weakened competitor (as compared to prior to the COVID-19 pandemic) and is on a current trajectory as a weakening competitor.

... about the customers that would be affected by the Merger?

16. The evidence we have received consistently indicated that there is recognition within the BTA services sector of a group of customers, often referred to as global multinationals or GMNs. In particular, the evidence shows that these customers require sufficient capacity, service and support levels to be available to support a high volume of multi-regional travel. These customers also identify a more limited set of TMCs as suitable for their requirements than smaller customers. While there does not appear to be a universally accepted definition of these customers, the evidence we have received indicates that in the ordinary course of their

⁸ CMA, [Supplementary Interim Report](#), 18 February 2025.

⁹ [Parties' response to the Supplementary Interim Report](#), 21 February 2025.

¹⁰ See [GBT/CWT merger inquiry case page](#).

¹¹ See [Merger Assessment Guidelines \(CMA129\)](#).

businesses TMCs typically identify customers as falling within this group by reference to the value of their TTV, or the value of their TTV in combination with requirements for travel services that span multiple distinct regions of the globe.

17. Accordingly, we have assessed the effects of the Merger on the market for the supply of BTA services to customers with a high-volume (indicated by a TTV of over \$25 million) of business travel placed through a single TMC across multiple distinct regions of the globe (which we refer to in this report as **GMNs** or **GMN customers**). This is not a bright-line threshold, and we do not need to come to a finely balanced judgment on which customers fall 'inside' or 'outside' the market.¹² Instead, we have used this threshold to focus our assessment on the effects of the Merger on the supply of BTA services to GMN customers. In conducting our competitive assessment we have, where appropriate, carried out sensitivity analyses at \$15 million annual TTV.
18. We considered the extent to which either or both of multi-sourcing, meaning customers splitting a high volume of travel into smaller volumes managed by multiple TMCs, or unmanaged travel (ie in-house management of travel services or permitting employees to book their own travel and expense it back through their employer), should also be considered as part of this market. On the basis of the evidence we received, we do not consider that either multi-sourcing or unmanaged travel is a sufficiently strong substitute from a demand or supply-side perspective and therefore we do not consider that it forms part of the same product market.
19. We have, though, considered multi-sourcing and unmanaged travel as possible out-of-market constraints in our competitive assessment.
20. While we have found that the relevant geographic market is global, we note that both Parties have operations in the UK and that their customer bases include GMN customers which are based in and/or do business in the UK.

... about CWT's competitive strength and how this would evolve?

21. We have found that CWT's financial performance is weak and is likely to further weaken in the future. As a result, we have found that, while CWT remains a competitor to GBT, it is a materially weakened one. In summary:
 - (a) CWT's continuing financial difficulties have had an adverse impact on its ability to [✂]. We consider that its financial position is unlikely to improve and it potentially faces a trajectory of continuing to lose more business than it will gain, resulting in [✂] which will adversely affect CWT's ability to [✂].

¹² [CMA129](#), paragraph 9.4.

- (b) Our bidding analysis has confirmed that BCD and GBT are the two strongest competitors in the market, by far, and both are substantially stronger than CWT.
- (c) Our analysis of CWT's overall performance in recent years shows that CWT has lost [X] TTV and GMN customers than it has won. This is consistent with data showing that CWT has been competing [X] frequently, and winning [X] frequently, in tenders for new customers.

... about the constraint from other suppliers and how this would evolve?

- 22. We have found that, in addition to strong competition from BCD, the Parties currently face a material competitive constraint from FCM, and face an increasing constraint from CTM and Navan as they continue to grow:
 - (a) Our analysis of the Parties' bidding data, in particular our analysis of winners and participants in the opportunities that the Parties were involved in, shows that FCM already constitutes a material competitive constraint, while other TMCs such as CTM and Navan are competing against the Parties in tenders. It also confirms that the Parties continue to face a strong competitive constraint from BCD.
 - (b) Our analysis of recent trends in the number and associated TTV of GMN customers when considered together with our analysis of new GMN customer acquisitions, shows that, in addition to BCD, competitors such as FCM, CTM and Navan have been consistently and substantially increasing the number of customers and associated TTV that they support (albeit from a low base). (While CWT has been losing a [X] number of customers and TTV.) As these businesses continue to grow, we expect they will exert increased competitive constraints in the market.

DECISION

- 23. We have concluded that the anticipated acquisition of CWT by GBT, if carried into effect, will result in the creation of an RMS.
- 24. The evidence we have assessed has led us to find that CWT is a materially weakened competitor and accordingly today it exercises a weaker constraint on GBT than it did in the past, and that the constraints the Merged Entity will face from other TMCs are significant and are likely to increase in the future.
- 25. Having reviewed the totality of the evidence and analysis before us, we consider the answer to the statutory question of whether the merger may be expected to result in an SLC to be finely balanced. When considering this statutory question,

unless a two-thirds majority of the inquiry group finds in favour of an SLC we must conclude that no SLC arises from the Merger.¹³ In light of the finely balanced nature of the decision in this case, two members of the Inquiry Group have concluded that the Merger may not be expected to result in an SLC.

26. As a result, the CMA's decision is that the Merger may not be expected to result in an SLC in the global market for the supply of BTA services to GMN customers.

¹³ Enterprise and Regulatory Reform Act 2013, [Schedule 4](#), paragraphs 55-56.

FINDINGS

1. INTRODUCTION

- 1.1 This is the Final Report of the Inquiry Group appointed to consider the acquisition by Global Business Travel Holdings, Inc. (**GBT**) of CWT Holdings, LLC (**CWT**).¹⁴ On the basis of the evidence to which we refer in this Final Report, the Inquiry Group's decision is that the Merger may not be expected to result in an SLC.¹⁵
- 1.2 The purpose of this Final Report is to provide interested parties with an understanding of the evidence the Inquiry Group has received and considered during the course of the investigation and the reasons for the Inquiry Group's findings. This includes evidence received in the phase 1 investigation and additional evidence received in our phase 2 inquiry. When considering evidence referred to in the Phase 1 Decision,¹⁶ the Inquiry Group has applied the evidential thresholds that are applicable in phase 2.
- 1.3 We were required to prepare and publish our Final Report by 9 March 2024.¹⁷
- 1.4 This document, together with its appendices, constitutes the CMA's Final Report published and notified to the Parties in line with the CMA's rules of procedure.¹⁸ Further information relevant to this inquiry can be found on the CMA webpage.¹⁹

Evidence in our investigation

- 1.5 In conducting our investigations in phase 2, we have had access to and considered evidence gathered during the phase 1 investigation.
- 1.6 In addition, during the course of our investigation we have received additional evidence and carried out further analysis as follows and this has informed our assessment of the nature of competition, market definition, closeness of

¹⁴ On 12 August 2024, the Competition and Markets Authority (**CMA**) made a reference to its Chair under [section 33](#) of the Enterprise Act 2002 (the **Act**), for the constitution of a Group of CMA Panel Members (the **Inquiry Group**) to investigate and report on the anticipated acquisition by Global Business Travel Group, Inc. (**GBT**) of CWT Holdings, LLC. (**CWT**) (the **Merger**). GBT and CWT are each a **Party** to the Merger; together they are referred to as the **Parties** and, for statements relating to the future where GBT acquires CWT (if the Merger was to proceed), as the **Merged Entity**. The relevant terms of reference can be found on the [CMA website](#). Published and notified to the Parties in line with [CMA rules of procedure for merger, market and special reference groups \(CMA17\)](#), 25 April 2024, Rule 11.

¹⁵ Two members of the Inquiry Group concluded that the Merger may not be expected to result in an SLC, while two members of the Inquiry Group took a different view. When considering this statutory question, unless a two-thirds majority of the Inquiry Group finds in favour of an SLC we must conclude that no SLC arises from the Merger.

¹⁶ CMA, [Phase 1 Decision](#), 30 July 2024.

¹⁷ In accordance with [section 39\(1\)](#) of the Act, the CMA shall prepare and publish its final report within a period of 24 weeks beginning with the date of reference concerned. The statutory deadline was further extended by six weeks pursuant to [section 39\(3\)](#) of the Act.

¹⁸ [CMA17](#), March 2014, Rule 13.

¹⁹ See: [GBT/CWT merger inquiry case page](#).

competition between the Parties and their rivals, the implications of CWT's financial position for its competitive strength and barriers to entry and expansion:

- (a) The Parties' submissions, summarised in Appendix A.
- (b) Our analysis of shares of supply, presented in Appendix B.
- (c) Our analysis of the Parties' tender data and of the Parties' tender analysis, presented in Appendix C.
- (d) Our review of internal documents from the Parties, presented in Appendix D.
- (e) Responses from customers to our questionnaire and other evidence from discussions with customers, as well as additional evidence from a survey submitted by the Parties, which together form Appendix E.
- (f) Responses from competitors to our questionnaires and information requests, and other evidence from discussions with competitors and their internal documents, which together form Appendix F.
- (g) The Parties' submissions and internal documents on CWT's financial position and our assessment in Appendix G.

2. CONDUCT OF THE INQUIRY

- 2.1 This is the first inquiry that has been conducted using the revised phase 2 inquiry process introduced by the CMA in April 2024.²⁰
- 2.2 The key milestones were as follows:
- (a) On 12 August 2024 the CMA referred the anticipated acquisition by GBT of CWT for an in-depth investigation.
 - (b) The Parties submitted a joint response to the Phase 1 Decision on 23 August 2024.
 - (c) We published our Interim Report on 6 November 2024, provisionally finding that the Merger amounts to an RMS that may be expected to result in an SLC in the global market for the supply of BTA services to GMN customers.
 - (d) The Parties submitted a joint response to the Interim Report on 27 November 2024. As part of their response, the Parties submitted new survey evidence. As set out at paragraphs E.136 to E.143 of Appendix E, the survey failed to conform to the best practice principles set out in our guidance, and having carefully considered the survey methodology following further engagement with the Parties we did not consider it produced robust results that could be relied on as evidence in our assessment. Survey data could have had probative value if the Parties had, in line with our guidance, engaged with us on the methodology prior to conducting the survey.²¹
 - (e) On 25 November 2024 we published an invitation to comment on remedies, setting out and consulting on the actions which we might take for the purpose of remedying the SLC and/or any resulting adverse effects provisionally identified in the Interim Report.
 - (f) On 5 December 2024 we held a hearing with the Parties.
 - (g) On 16 January, we published a notice of extension, extending the original reference period to 9 March 2025.
 - (h) On 18 February 2025 we issued a Supplementary Interim Report outlining revisions to the Inquiry Group's provisional SLC finding set out in the Interim Report, provisionally concluding that the merger may not be expected to

²⁰ The CMA published updated guidance on its [jurisdiction and procedure \(CMA2\) in relation to merger control](#) on 25 April 2024 to reflect changes to the phase 2 merger process.

²¹ As set out in [CMA2](#), paragraph 11.31 'merger parties are encouraged to inform the CMA in advance of any proposed survey'. In addition, the Parties made extensive confidentiality representations, in several instances relating to publicly available information. A more considered approach by the Parties would have reduced the time and resource required to review and respond to these representations. (We note that the Parties made extensive confidentiality representations throughout the inquiry).

result in an SLC in the supply of BTA services to GMN customers. The Parties submitted a joint response to the Supplementary Interim Report on 21 February 2025.

- 2.3 As noted above, this is the first inquiry that has been conducted using the revised phase 2 inquiry process introduced by the CMA in April 2024.
- 2.4 As was noted by the CMA when consulting on the revised process, the fact that the interim report is issued at an earlier stage in an inquiry means that it is – by its nature – an earlier and less definitive statement of the case.²² The consultation recognised that under the new process there is an increased likelihood of changes to provisional decisions between the interim and final report, as the new process intentionally provides more opportunity for new evidence and new submissions on existing evidence following the publication of the interim report.²³

²² See CMA press release '[CMA sets out changes to Phase 2 merger processes](#)' published 20 November 2023.

²³ [Draft revised guidance on the CMA's jurisdiction and procedure in relation to mergers, draft revised merger notice and draft revised template waiver](#) (Consultation document), 20 November 2023, paragraphs 3.19 and 3.20.

3. RELEVANT MERGER SITUATION

Introduction

- 3.1 This chapter addresses the first of the two statutory questions which we are required to answer under [section 36\(1\)](#) of the Enterprise Act 2002 (the **Act**), namely, whether arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation (**RMS**).
- 3.2 The concept of an RMS has two principal elements: (a) two or more enterprises cease to be distinct enterprises within the statutory period for reference;²⁴ and (b) the turnover test and/or the share of supply test is met.²⁵ We address each of these elements in turn below.
- 3.3 For the reasons set out below, we consider that the Merger, if carried into effect, will result in the creation of a RMS, on the basis that the Parties will cease to be distinct and that their combined share of supply exceeds 25% for the purposes of establishing jurisdiction.

Enterprises ceasing to be distinct

Enterprises

- 3.4 The first element of the jurisdictional test is whether two or more enterprises will cease to be distinct as a result of the Merger.²⁶
- 3.5 The Act defines an ‘enterprise’ as ‘the activities or part of the activities of a business’.²⁷ A ‘business’ is defined as including ‘a professional practice and includes any other undertaking which is carried on for gain or reward or which is an undertaking in the course of which goods or services are supplied otherwise than free of charge’.²⁸ CMA guidance explains that the enterprise in question need not be a separate legal entity.²⁹
- 3.6 GBT and CWT are both active in the supply of business travel agency (**BTA**) services (see paragraph 5.4 below). In 2023, GBT generated turnover of approximately £[X] million and CWT generated turnover of approximately £[X] million in the United Kingdom (**UK**).

²⁴ Sections [23](#) and [24](#) of the Act.

²⁵ [Section 23](#) of the Act.

²⁶ [Section 23](#) of the Act.

²⁷ [Section 129\(1\)](#) of the Act.

²⁸ Section [129\(1\)](#) of the Act. See also sections [129\(3\)](#) and [130](#) of the Act.

²⁹ [Mergers: Guidance on the CMA's jurisdiction and procedure \(CMA2\)](#), 25 April 2024, paragraph 4.6. Nor is there a requirement that the transferred activities have generated, or are expected to generate, a profit or dividend for shareholders: indeed, the transferred activities may be loss-making or conducted on a not-for-profit basis.

3.7 We conclude that each of GBT and CWT is a ‘business’ within the meaning of the Act and that, accordingly, the activities of each of GBT and CWT constitutes an ‘enterprise’ for the purposes of the Act.

Ceasing to be distinct

3.8 The Act provides that any two enterprises ‘cease to be distinct’ if they are brought under common ownership or common control.³⁰

3.9 The Merger concerns the acquisition by GBT of the entire issued share capital of CWT. Accordingly, on completion of the Merger, GBT and CWT will be brought under common ownership and control within the meaning of section 26 of the Act.

3.10 We conclude therefore that the Merger will, if carried into effect, result in two or more enterprises (namely, the enterprises of GBT and CWT), ceasing to be distinct.

Turnover test or share of supply test

Turnover test

3.11 The second element of the jurisdictional test seeks to establish sufficient connection with the UK on a turnover or share of supply basis.

3.12 The turnover test is met where the value of the turnover in the UK of the enterprise being taken over exceeds £70 million.³¹ As the turnover of CWT in the UK in its last financial year prior to the Merger agreement was approximately £[~~8~~] million,³² the turnover test is not met. We are therefore required to consider whether the share of supply test is met.

Share of supply test

3.13 The share of supply test is met where, as a result of enterprises ceasing to be distinct, the following condition prevails or prevails to a greater extent: at least one quarter of goods or services of any description which are supplied in the UK, or in a substantial part of the UK, are supplied either by or to one and the same person.³³ The requirement that the condition prevails or prevails to a greater extent means that the Merger must result in the creation or increase in a share of

³⁰ [Section 26](#) of the Act.

³¹ [Section 23\(1\)\(b\)](#) of the Act. The Digital Markets, Competition and Consumers Act 2024 was not in force when the CMA launched the phase 1 inquiry and therefore the relevant turnover threshold is £70 million.

³² CMA, [Phase 1 Decision](#), 30 July 2024, paragraph 19.

³³ Section [23\(2\)](#), [\(3\)](#) and [\(4\)](#) of the Act. The reference to supply ‘by’ or ‘to’ one and the same person catches aggregations with regard to the supply or purchase of goods or services. The test is also met where at least one quarter of the goods or services is supplied by the persons by whom the enterprises concerned are carried on, or are supplied to or for those persons.

supply of goods or services of a particular description and the resulting share must be 25% or more.

- 3.14 The description of goods or services identified for the purposes of the jurisdictional test does not have to correspond with the economic market adopted for the purposes of the SLC question.³⁴ The CMA will have regard to any reasonable description of a set of goods or services to determine whether the share of supply test is met.³⁵ Importantly, however, parties must together supply or acquire the same category of goods or services.³⁶
- 3.15 At phase 1, the Parties submitted that they had a combined UK share of supply of BTA services (excluding self-managed travel) to all customers of [30-40%] (with an increment of [5-10%] arising from the Merger) on the basis of total travel spend (TTV) in 2023, and that the share of supply test was met on that basis.³⁷ At phase 2, the Parties have presented further UK shares of supply that they claim shows a combined share of supply of BTA services to all customers of only [20-30%]. The Parties' state that by applying a bottom-up approach to the TTV values stated within Business Travel News' (BTN's) Top 50 travel management companies (TMCs) in the UK, the combined UK share of supply for the Parties was only [15-25%] and [15-25%] in 2022 and 2023 respectively, ie below the 25% jurisdictional threshold.³⁸
- 3.16 We recognise, as noted above, that the description of goods and services used for the purposes of the jurisdictional test does not have to correspond with the economic market adopted for the purposes of the SLC question. However, we also note that BTN's Top 50 list as used by the Parties is likely to include a number of TMCs that are not able to serve customers with high volume of TTV and multi-regional needs and therefore shares calculated on that basis are not a good indication of the Parties' position in the UK in connection with the relevant market we have defined at paragraph below.
- 3.17 We have obtained directly from TMCs their actual UK TTV and note that the data provided to us suggests that BTN has overstated the UK TTV of a number of TMCs (and therefore the shares of supply as calculated by the Parties using the BTN data may understate the Parties' combined share).³⁹

³⁴ [CMA2](#), paragraph 4.59(a).

³⁵ [CMA2](#), paragraph 4.59(b).

³⁶ [CMA2](#), paragraph 4.59(e).

³⁷ Final Merger Notice (FMN), 3 June 2024, paragraph 5.1.

³⁸ GBT submission to the CMA, 4 October 2024, slide 3.

³⁹ One competitor said that TTV generated in the UK in 2023 was c.£ [X] million vs £[X] million reported by BTN (third party response to the CMA's competitor questionnaire); one competitor said that TTV generated in the UK in 2023 was c. £[X] million vs £[X] million reported by BTN (third party response to the CMA's competitor questionnaire); and one competitor said that TTV generated in the UK in 2023 was c. £[X] million vs £[X] million reported by BTN (third party response to the CMA's competitor questionnaire).

- 3.18 For these reasons, we do not consider that the shares of supply as submitted by the Parties are the appropriate basis on which we should assess jurisdiction in this case.
- 3.19 In any event, at phase 2 we have calculated UK shares of supply on the basis of TTV generated in the UK⁴⁰ in 2023 by customers whose global TTV exceeds \$25 million,⁴¹ and who place \$25 million or more with a single TMC, which more closely aligns with what we consider is the relevant market for the assessment of the Merger, as set out in paragraphs 6.1 to 6.33 below. Our calculations are based on information obtained directly from TMCs. As set out in Table B.2 in Appendix B, we have calculated the Parties' shares of supply to be:
- (a) GBT's UK TTV amounts to £[§] million and therefore GBT has a UK share of supply of [40-50%]; and
 - (b) CWT's UK TTV amounts to £[§] million and therefore CWT has a UK share of supply of [20-30%].⁴²
- 3.20 Therefore, the Parties' combined share of supply of business travel services based on UK TTV in 2023 from customers with global TTV in excess of \$25 million and who place \$25 million or more with a single TMC is [60-70%].
- 3.21 In view of the above, we conclude that the share of supply test in [section 23](#) of the Act is met.

Conclusion on relevant merger situation

- 3.22 In view of the above, we have found that arrangements are in progress or contemplation which, if carried into effect, will result in the creation of an RMS.

⁴⁰ The Parties confirmed that [§]. Specifically, the following methodologies were relied on by the Parties respectively: (1) GBT confirmed that [§]. GBT explained that [§]. GBT further explained that ([§] (GBT second follow up response to the CMA's request for information (RFI) 4 dated 14 October 2024). (2) CWT confirmed that [§]. For example, [§] (CWT second follow up response to RFI 4 dated 14 October 2024).

⁴¹ GBT response to the CMA's RFI 4 dated 14 October 2024, question 1; CWT response to the CMA's RFI 4 dated 14 October 2024, question 1; third party responses to the CMA's; third party responses to the CMA's competitor questionnaire; third party response to the CMA's competitor questionnaire; and third party responses to the CMA's RFI.

⁴² GBT subsequently submitted an amended RFI 4 response which takes into account the spend of a customer not included in the original submission. GBT's amended RFI response includes an updated UK TTV figure of \$[§] million (£[§] million) ie approximately \$[§] million (£[§] million) greater than the originally submitted figure of £[§] million. The CMA has not amended its share of supply calculation to reflect this updated figure for the reason that this additional spend [§]. Given that the CMA's RFI question was drafted to capture the TTV of business customers, it would be inconsistent to include a type of expenditure that may not be captured in other TMCs responses.

4. COUNTERFACTUAL

- 4.1 In phase 1, the Parties did not submit any alternative counterfactual to the prevailing competitive conditions.⁴³
- 4.2 In phase 2, the Parties submitted that, as a result of its financial challenges, CWT is set to [X].⁴⁴ The Parties submitted that CWT's [X] should be taken into account when interpreting the evidence and considering the constraint that CWT would impose on GBT in the future.⁴⁵ The Parties have not, however, presented an 'exiting firm' argument to the CMA,⁴⁶ and CWT has confirmed [X].⁴⁷
- 4.3 We discuss these submissions and evidence in our assessment of the counterfactual below.

Framework for assessing the counterfactual

- 4.4 The framework for assessing the counterfactual is set out in our published guidance on the assessment of mergers (**CMA129**). As set out in CMA129, at phase 2, we have to make an overall judgement as to whether or not an SLC has occurred or is likely to occur. To help make this assessment, we will select the most likely conditions of competition as the counterfactual against which to assess the merger. In some instances, we may need to consider multiple possible scenarios before identifying the relevant counterfactual (eg a merger firm being purchased by alternative acquirers). In doing this, we will consider whether any of the possible scenarios make a significant difference to the conditions of competition and, if any do, we will find the most likely conditions of competition absent the merger as the counterfactual.⁴⁸
- 4.5 The counterfactual is not, however, intended to be a detailed description of the conditions of competition that would have prevailed absent the merger. Our assessment of those conditions is better considered in the competitive assessment.⁴⁹ We also seek to avoid predicting the precise details or circumstances that would have arisen absent the merger.⁵⁰

⁴³ FMN, 3 June 2024, paragraph 5.1 and Tables 9 and 11.

⁴⁴ CWT submission to the CMA, 4 October 2024, paragraph 1.3.

⁴⁵ CWT submission to the CMA, 4 October 2024, paragraph 1.3; and CWT, Annex 9 to the response to the Interim Report, 27 November 2024, paragraph 1.2.

⁴⁶ [CMA129](#), paragraphs 3.21-3.32.

⁴⁷ Parties' Initial Substantive Meeting slides.

⁴⁸ [CMA129](#), paragraph 3.13.

⁴⁹ [CMA129](#), paragraph 3.7.

⁵⁰ [CMA129](#), paragraph 3.11.

- 4.6 The time horizon that the CMA considers when describing the counterfactual will depend on the context but will be consistent with the time horizon used in the CMA’s competitive assessment.⁵¹

Assessment of the counterfactual

- 4.7 We have considered what would likely have happened to CWT absent the Merger and whether the business would likely have continued in its current form.
- 4.8 First, we review the evidence regarding CWT’s financial position and its impact on CWT’s ability to continue to compete absent the Merger.
- 4.9 Second, we review the evidence regarding a potential sale to an alternative purchaser.

CWT’s financial position

- 4.10 As set out more fully in Appendix G, our view is that while CWT faced [REDACTED] as a result of and following COVID-19, resulting in its pre-packed bankruptcy, its financial position is currently such that we do not anticipate that it would exit the market absent the Merger. Instead, we consider that CWT would continue to operate as a materially weaker competitor in relation to BTA services to GMN customers than it previously was, whose financial position would be unlikely to improve and who would potentially face a trajectory of losing more business than it would gain.
- 4.11 We consider that CWT’s financial position suffered [REDACTED] deterioration due to the COVID-19 pandemic. We note that CWT’s revenues in 2020 decreased by [REDACTED] from 2019 levels, it had [REDACTED] adjusted EBITDA, and its debts increased from [REDACTED]. Decreases in TTV, transaction sales and total revenue, [REDACTED] adjusted EBITDA and high debts contributed to its pre-packed bankruptcy in November 2021.
- 4.12 Since emerging from its pre-packed bankruptcy, CWT has [REDACTED] through a restructuring, [REDACTED] recapitalisations, [REDACTED], and [REDACTED]. However, the extent to which CWT has regained TTV and profitability has [REDACTED]. Moreover, CWT’s [REDACTED] in recent years.
- 4.13 [REDACTED], CWT’s [REDACTED] forecast for the financial year 2024 (prepared before the Merger announcement) continued to paint a mixed picture. On the one hand it forecast adjusted EBITDA would be [REDACTED] in 2024 than 2023 and that CWT was expected to [REDACTED]. On the other hand, it forecast revenues and capital expenditure for 2024

⁵¹ [CMA129](#), paragraph 3.15.

would be [REDACTED] than 2023 and that there would be [REDACTED].⁵² We also understand that CWT's shareholders have been supporting it through [REDACTED].

- 4.14 On balance, we recognise that CWT has been facing challenges which have continued to adversely affect its financial performance since 2019. The cumulative effects of its financial difficulties appear to have had an [REDACTED]. As a result, CWT potentially faces a trajectory of [REDACTED], resulting in [REDACTED], which will [REDACTED]. Whilst we have not seen compelling evidence to lead us to conclude that CWT's financial position is sufficiently bad that it would exit the market absent the transaction, the Inquiry Group considers that CWT's financial position would continue to be weak and likely to further weaken in the future, which would have a negative impact on CWT's ability to compete.
- 4.15 We further discuss the evidence regarding CWT's position as [REDACTED] in our competitive assessment below.

Potential sale to an alternative purchaser

- 4.16 Various CWT internal documents discuss the possibility of [REDACTED].⁵³
- 4.17 CWT told us that [REDACTED] third parties (including GBT)⁵⁴ were either contacted or had expressed an interest in [REDACTED]. [REDACTED]. Of these [REDACTED] [REDACTED],⁵⁵ [REDACTED] of which ([REDACTED]) were described as '[REDACTED]'. This indicates that it was not only [REDACTED] may have been in contention but [REDACTED].⁵⁶ The CMA does not consider that [REDACTED] would necessarily rule out an alternative purchaser.
- 4.18 Based on the evidence reviewed [REDACTED].

Conclusion on counterfactual

- 4.19 Based on our assessment above, we conclude that the appropriate counterfactual is that CWT, either under its current ownership or the ownership of an alternative investor or purchaser, would continue to compete in the supply of BTA services to GMN customers (as defined in the market definition section below) broadly in line with the prevailing conditions of competition, which includes CWT continuing on its current trajectory as a materially weaker (compared to 2019) and continuing to weaken

⁵² CWT internal document.

⁵³ See Appendix G, paragraphs G.34-G.35.

⁵⁴ These companies included: GBT, [REDACTED].

⁵⁵ CWT response to the CMA's s109 notice, 10 October 2024, question 1.

⁵⁶ CWT response to the CMA's s109 notice 10 October 2024, question 1.

5. NATURE OF COMPETITION

- 5.1 This chapter sets out background information about BTA services, where companies like GBT and CWT operate as TMCs to support the business travel of businesses in the UK and globally. In this chapter, we consider:
- (a) the importance of business travel;
 - (b) the role of TMCs in supporting business travel;
 - (c) how TMCs are selected, including how many TMCs are used and switching between TMCs.

The importance of business travel

- 5.2 Business travel is necessary for a number of reasons, such as attending seminars, training and internal meetings, meeting suppliers and customers, and the provision of consulting and professional services.⁵⁷ Despite improvements in IT and the rising prevalence of online meetings, it retains a critical role in communications between businesses and with customers.
- 5.3 Business travel therefore also plays an important role in maintaining a successful economy, in particular for open trading economies such as the UK which are highly dependent on global trade, supply chains and international investment. A cost-effective, good quality and efficient business travel sector is a necessary underpinning element of UK productivity and economic growth.
- 5.4 Many small businesses will take care of their own business travel, with staff booking travel in much the same way as a leisure traveller (for example via websites of airlines, hotels or online travel agents). Larger businesses usually require a more structured approach to business travel. This is because, among other reasons, they spend very large amounts on travel, they operate across the globe and they require systems that allow them to manage their legal duty of care to a large number of employees.
- 5.5 Both of the Parties have customers across this spectrum, from small to large businesses, and in the rest of this chapter we examine how customers manage their business travel. Where appropriate, we focus on those customers which we define in the Market Definition section below as GMN customers.

⁵⁷ Parties' teach-in slides, 21 August 2024, slide 4.

The role of TMCs in supporting business travel

- 5.6 Businesses need many services to support their business travel requirements, and these are often provided by TMCs.⁵⁸ TMCs bring together travel suppliers, such as hotels and airlines, and customers, who are companies who require services to manage their business travel. TMCs access travel products either directly from travel suppliers or through a global distribution system (**GDS**), and then present these to customers to book. The bookings are made either through an online booking tool (**OBT**) or through call centres.⁵⁹
- 5.7 In addition to booking of travel, TMCs provide other BTA services. For example, TMCs modify bookings for travellers either prior to or while on the trip, provide comparison shopping for the best deals and provide travel reporting and monitoring services. Additional optional services are also offered, such as management software and the integration of expense and payment systems.⁶⁰ TMCs also allow for corporate negotiated rates to be offered to travellers.⁶¹
- 5.8 Another important service that TMCs provide is helping customers meet the legal duty of care they owe to their employees.⁶² This refers to the obligation companies have to protect employees during business travel, addressing common travel risks and implementing procedures to mitigate them.⁶³ TMCs can provide services to enable this by providing traveller location reports and enabling the clients to locate and communicate with their travelling employees during emergencies, for example through an app.
- 5.9 There is a differentiation between TMCs in relation to the scope and nature of services they provide and the extent of their geographic presence. TMCs that operate across multiple countries and regions (like the Parties, BCD, FCM, CTM and Navan) service customers through a combination of their own proprietary presence in key countries and regions and the use of Travel Partner Networks (**TPNs**) in others. For example, GBT has a proprietary presence in [X] countries⁶⁴ and offers services in more than 120 countries through partnerships.⁶⁵ CWT offers services in approximately [X] countries, with [X] of these through a proprietary presence.⁶⁶ Both Parties have a proprietary presence in the UK. There are also

⁵⁸ As stated in paragraph 5.4, some businesses manage their own travel rather than using TMCs. We explore this further in the Market Definition section (paragraphs 6.25 to 6.27).

⁵⁹ Parties' response to the CMA's RFI 2 dated 6 September 2024, question 2.

⁶⁰ Parties' teach-in slides, 21 August 2024, slides 5 and 9.

⁶¹ FMN, 3 June 2024, paragraph 3.14.

⁶² Parties' teach-in slides, 21 August 2024, slide 5.

⁶³ Parties' response to the CMA's RFI 2 dated 6 September 2024, question 2.

⁶⁴ Parties' teach-in slides, 21 August 2024, slide 22.

⁶⁵ FMN, 3 June 2024, paragraph 2.1; and [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraph 7.4.

⁶⁶ FMN, 3 June 2024, paragraph 2.2.

national/regional TMCs who provide TMC services to customers based in a single country or a small number of countries.⁶⁷

- 5.10 Some TMCs like the Parties, BCD, FCM and CTM are generally considered to offer a full service to GMNs. Other TMCs entered the market more recently with a slightly different offer for booking business travel, focussed around technology, some of whom (like Navan) have subsequently acquired smaller TMCs and now also offer a more traditional TMC service although with a more limited geographic presence and greater reliance on partner networks.

How TMCs are selected

- 5.11 GMN customers typically procure BTA services through competitive tender processes.⁶⁸ The Parties told us that these are typically run every three to five years, and involve companies inviting many TMCs to bid in competitive processes where they respond to requests for proposals (**RFPs**).⁶⁹ According to the Parties, GMN customers negotiate [redacted] and pricing,⁷⁰ including at renewal points which are subject to [redacted],⁷¹ [redacted].⁷²
- 5.12 The procurement process for these opportunities takes [redacted], and often happens in stages. For example, GBT said that it prepares for renewals typically [redacted], and that the customer [redacted] to allow for sufficient time to engage with other TMCs.⁷³ CWT typically contacts its customers [redacted] in advance of an existing contract's expiration, and they reach out to proactively [redacted].⁷⁴
- 5.13 The Parties told us that GMN customers are very sophisticated, with experienced procurement teams and the ability to use third party consultants to allow them to source the best solutions at the optimal price.⁷⁵ This was confirmed by the customers that we spoke to during the investigation, who said that they select TMCs according to many different criteria,⁷⁶ use consulting companies to support the process,⁷⁷ and start with Requests for Information (**RFIs**) to several TMCs and then have RFPs to a smaller number.⁷⁸

⁶⁷ The Parties have referred to TMCs being 'large-scale, boutique, regional and/or tech-led', and also referred to 'next generation tech-led TMCs' (see Parties teach-in slides, 21 August 2024, slides 10 and 31). The CMA considers these differences to be reflected in this categorisation.

⁶⁸ Parties' Initial Substantive Meeting slides, 3 September 2024, slide 14.

⁶⁹ Parties' response to the CMA's RFI 1 dated 27 August 2024, paragraphs 16.1-16.2.

⁷⁰ Parties' response to the CMA's RFI 1 dated 27 August 2024, paragraphs 4.8-4.9.

⁷¹ Parties' updated response to the CMA's RFI 1 dated 27 August 2024, paragraph 8.4.

⁷² Parties' response to the CMA's RFI 1 dated 27 August 2024, paragraphs 7.4 and 8.8.

⁷³ Parties' response to the CMA's RFI 1 dated 27 August 2024, paragraph 8.1.

⁷⁴ Parties' response to the CMA's RFI 1 dated 27 August 2024, paragraph 8.3.

⁷⁵ Parties' Initial Substantive Meeting slides, 3 September 2024, slide 14. See also [Parties response to the Interim Report](#), 27 November 2024, paragraph 1.3.

⁷⁶ Third party call notes.

⁷⁷ Third party call note.

⁷⁸ Third party call note.

5.14 The Parties later submitted that, although the customers are sophisticated, it cannot be assumed that [redacted] of the current competitive landscape.⁷⁹ The Parties said that customers [redacted] while they are mid-contract, and that it is only those who have recently evaluated or who are currently evaluating that will fully understand which TMCs meet their requirements.⁸⁰ We consider that this is not the case, and include details in paragraphs E.114 and E.116 of Appendix E.

5.15 In the rest of this section, we set out the evidence on customer switching between TMCs.

The process of switching between TMCs

5.16 As summarised in Appendix A, the Parties submitted that GMN customers are able to switch between TMCs easily, and can get better terms or extract more value from their TMC because of this.⁸¹ The Parties explain this is because there are minimal barriers to switching due to the absence of [redacted].⁸² According to the Parties, in the rare instances where [redacted], they do not prevent GMN customers from switching TMCs.⁸³ The Parties also submitted other reasons that make switching possible, including that the [redacted] covers the cost of transfer and that the use of third party OBTs [redacted].⁸⁴

5.17 On the basis of the evidence we have seen we consider that switching between TMCs is a relatively difficult and a time-consuming process for GMN customers, resulting in low levels of churn in the market.⁸⁵

5.18 The Parties' customers indicated that, although switching is possible, there are some barriers to doing it which may encourage customers to remain with their incumbent at the end of a contract period:

- (a) The respondents to our questionnaire indicated a number of barriers to switching, with the most commonly identified being the time cost and the integration of a system. Only some respondents (14 out of 90) indicated that there would be no or limited barriers to switching between TMCs.⁸⁶
- (b) Several respondents told us that they thought switching was difficult or took a long time.⁸⁷

⁷⁹ Parties submission to the CMA 'Questions and concerns raised at and after the Main Party Hearing', 20 December 2024, paragraphs 31-32.

⁸⁰ Parties submission to the CMA 'Questions and concerns raised at and after the Main Party Hearing', 20 December 2024, paragraph 35.

⁸¹ [Parties response to the Interim Report](#), 27 November 2024, paragraph 1.4.

⁸² Parties' updated response to the CMA's RFI 1 dated 27 August 2024, paragraphs 4.1-4.3.

⁸³ Parties' updated response to the CMA's RFI 1 dated 27 August 2024, paragraphs 4.2.

⁸⁴ Parties submission to the CMA, 4 October 2024, paragraph 1.2-1.6.

⁸⁵ CMA, [Phase 1 Decision](#), 30 July 2024, paragraph 134.

⁸⁶ See Appendix E, paragraph E.96.

⁸⁷ Third party call notes.

- (c) Some respondents did indicate a willingness to switch provider or had recently switched away from one of the Parties.⁸⁸ The comments from respondents who have switched recently or are going through a procurement process suggest that whilst switching is difficult and takes time they are willing to do it, and the TMCs help to facilitate it.⁸⁹

5.19 Competitors told us that switching was difficult for GMN customers. In particular:⁹⁰

- (a) All competitors indicated that switching was at least somewhat difficult for GMN customers, and a majority told us switching was difficult or very difficult.⁹¹ Many competitors indicated that switching was a lengthy process with high costs for GMN customers as RFP processes can take many months⁹² and achieving a smooth transition when setting up a new provider is a lengthy⁹³ and costly⁹⁴ process. Similarly, many competitors identified that the challenges associated with switching, such as travel disruption,⁹⁵ migrating and onboarding traveller data between TMCs,⁹⁶ updating or re-engineering technology integrations,⁹⁷ and retraining staff,⁹⁸ reduced GMN customers' willingness to switch. Some competitors identified additional switching barriers in relation to the bundling of ancillary services within TMC contracts,⁹⁹ and the perception amongst GMN customers that few TMCs could meet their requirements.¹⁰⁰ These barriers are discussed further in Appendix F.¹⁰¹
- (b) Some competitors suggested that switching takes longer or is more challenging for GMN customers,¹⁰² although one competitor suggested that GMN customers' increased internal resources and expertise compared to smaller firms makes this easier.¹⁰³
- (c) Competitors' estimates for the time required to implement a new contract after winning an RFP range considerably from three months to two years, though five out of eight competitor estimates fell between six and twelve

⁸⁸ Third party call notes.

⁸⁹ Third party call notes.

⁹⁰ Further details are set out in Appendix F, paragraphs F.54 to F.57.

⁹¹ 6 of 10 valid third party responses to the CMA's RFI.

⁹² Third party responses to the RFI; and third party responses to RFI.

⁹³ Third party responses to RFI; and third party responses to RFI.

⁹⁴ Third party response to RFI; and third party responses to RFI.

⁹⁵ Third party response to RFI; and third party responses to RFI.

⁹⁶ Third party responses to RFI; and third party responses to RFI.

⁹⁷ Third party response to RFI; third party response to RFI; and third party call note.

⁹⁸ Third party responses to RFI; third party response to RFI; and third party call note.

⁹⁹ Third party response to RFI.

¹⁰⁰ Third party response to RFI.

¹⁰¹ See Appendix F, paragraphs F.61 to F.70.

¹⁰² Third party response to the CMA's RFI; and third party call note.

¹⁰³ Third party call note.

months.¹⁰⁴ Additionally, no competitors indicated that switching was frequent and many indicated that switching levels were low.¹⁰⁵ One competitor told us that switching costs were very high and, in its experience, most GMN customers have been with their current TMC for over three years, with many exceeding ten years, even if they aren't fully satisfied with the service.¹⁰⁶ However, one competitor told us that switching had increased in recent years.¹⁰⁷

5.20 An internal document from CWT (which appears to have been produced in 2022) which sets out an analysis of the business travel industry indicates that switching between TMCs is difficult and occurs infrequently:

(a) The document notes that, '[REDACTED]'.¹⁰⁸

(b) The same document also refers to the costs associated with switching and notes that, '[REDACTED]'.¹⁰⁹

5.21 Overall, the customer and competitor evidence indicates that, while switching is possible and does happen, there are material barriers. While GMN customers may have experienced staff that can ease the transition process and TMCs can facilitate switching, it still represents a challenge requiring investment in time and resources to migrate data and re-engineer IT infrastructure, while avoiding travel disruption during the transition. Competitors generally consider the level of switching to be low. Nevertheless, we note in Table 7.8 that CWT has lost [30-40%] of its GMN customers between 2019-2024, some of whom have switched to other TMCs.

¹⁰⁴ Third party responses to RFI. Exact estimates varied. 5 of 8 valid responses to the CMA's RFI fell within the 6–12-month window. [REDACTED] and [REDACTED] suggested 3-month lower bound; [REDACTED] suggested 2-year upper bound. Of the responses that fell outside the 6-12 month window, [REDACTED] suggested 3-12 months, [REDACTED] suggested 3-6 months, and [REDACTED] suggested up to 18 months per market.

¹⁰⁵ Third party responses to RFI; and third party call note.

¹⁰⁶ Third party response to the CMA's RFI.

¹⁰⁷ Third party response to the CMA's RFI.

¹⁰⁸ CWT internal document.

¹⁰⁹ CWT internal document.

6. MARKET DEFINITION

Framework

- 6.1 Where the CMA makes an SLC finding, this must be ‘within any market or markets in the United Kingdom for goods or services’.¹¹⁰ An SLC can affect the whole or part of a market or markets.
- 6.2 Market definition provides a framework for assessing the competitive effects of a merger. The assessment of the relevant market is an analytical tool that forms part of the analysis of the competitive effects of the merger and should not be viewed as a separate exercise.¹¹¹ The boundaries of the market do not determine the outcome of the analysis of the competitive effects of the merger, as it is recognised that there can be constraints on merging parties from outside the relevant market, segmentation within the relevant market, or other ways in which some constraints are more important than others. We will take these factors into account in the competitive assessment.
- 6.3 Product market definition starts with the relevant products of the merger firms. In identifying what other significant competitive alternatives should be included in the relevant market, we will pay particular regard to demand-side factors. We may also consider supply-side factors.¹¹²

Product market

- 6.4 We have taken the overlaps between the Parties as the starting point for our assessment of the relevant market.¹¹³ The Parties overlap in the supply of BTA services. Both Parties supply BTA services to a range of business customers – from those with more limited travel needs, to customers with high volume and travel requirements which span multiple regions of the globe.
- 6.5 The Parties also overlap in the supply of meeting and events organisation services and travel consultancy services in the UK. However, as the Parties have only a limited presence in these activities, we consider that the Merger does not give rise to competition concerns in relation to either of these products. Therefore, the Parties’ activities in these areas are not considered further.
- 6.6 The Parties submitted that the most appropriate relevant market was the supply of business travel services.¹¹⁴ They submitted that there is no basis to distinguish

¹¹⁰ [Section 36\(1\)\(b\)](#) of the Act.

¹¹¹ [CMA129](#), paragraph 9.1. The Competition Appeal Tribunal has stated that market definition is ‘no more than a tool’ (Meta v CMA [2022] CAT 26 at [64(2)]).

¹¹² [CMA129](#), paragraph 9.6.

¹¹³ As set out in paragraph 9.6 and footnote 154 of [CMA129](#), product market definition starts with the overlapping products of the merger firms.

¹¹⁴ As summarised in Appendix A, paragraph A.20.

between (i) customers based on their size, geographic requirements or industry sector¹¹⁵ and (ii) managed travel and unmanaged travel (ie in-house management of travel booking services or permitting employees to book their own travel and expense it back through their employer).¹¹⁶

GMN customers

- 6.7 As noted above, the Parties overlap in the provision of BTA services to a range of different customers, including those who have high levels of spend with each of the Parties and multi-regional travel needs, often referred to by the Parties and in the industry more generally as global multinationals or GMN customers.¹¹⁷ On that basis, we have examined the evidence, including customer and competitor feedback and the Parties' internal documents, and considered whether the supply of BTA services to these customers should be considered a separate market.
- 6.8 As summarised in Appendix A, the Parties submitted that there is not a separate market for the supply of BTA services to GMN customers. In particular, the Parties consider that: (i) GMN customers have similar needs to other smaller or more regional customers; and (ii) TMCs can easily supply customers of any size.¹¹⁸ The Parties also submitted that the Interim Report's approach to market definition is misconceived, as whilst it accepts there is no universally accepted definition of GMN customers it uses \$25 million annual TTV as a strict cut-off and 'treats competition for this novel customer segment as hermetically sealed' which is inconsistent with the CMA's own guidelines.¹¹⁹ The Parties also submitted that the CMA failed to clarify its approach to market definition in the Market Definition Paper dated 15 January 2025 and instead advanced a new market definition for customers who place >\$25 million via the same TMC.¹²⁰
- 6.9 Industry participants, including both Parties, consistently differentiate GMN customers from other customers. GBT consistently differentiates customers in this way in its internal documents.¹²¹ For example, GBT refers to its market share in the 'GMN' market in several instances.¹²² GBT also indicates that [REDACTED].¹²³ For example, in a town hall speech in February 2023 when explaining the business ' [REDACTED]', GBT's CEO stated that 'global multi-national' and 'SME' customers require ' [REDACTED]'.¹²⁴ GBT also refers to GMN customers publicly; for example in its Q3 2024

¹¹⁵ As summarised in Appendix A, paragraph A.22.

¹¹⁶ As summarised in Appendix A, paragraph A.21.

¹¹⁷ TMCs sometimes use other terms to describe this category of customers, for example (and as set out in more detail in paragraph 6.13 below) BCD and CWT refer to them as 'Enterprises'.

¹¹⁸ See the summary in Appendix A, paragraph A.23.

¹¹⁹ CMA, [Interim Report](#), 6 November 2024, paragraph 5.15. The Parties' submission ignores the express statement in the Interim Report that the \$25 million figure was 'not a bright-line threshold' and that when conducting our competitive assessment, we had, where appropriate, carried out sensitivity analyses.

¹²⁰ Parties' response to the CMA's Market Definition paper, 23 January 2025, paragraphs 1.2-1.2.

¹²¹ See Appendix D, paragraphs D.20, D.21, D.23, including GBT internal documents.

¹²² See Appendix D, paragraphs D.44. See also GBT internal documents.

¹²³ GBT internal document.

¹²⁴ GBT internal document.

Earnings Conference Call, GBT's CEO stated that 'looking specifically at Global and Multinational customers, we maintained a very high customer retention rate of 98% over the last twelve months, demonstrating the value that we bring to this important customer set'.¹²⁵ CWT similarly repeatedly refers to its [REDACTED].¹²⁶

- 6.10 The evidence indicates that GMN customers are differentiated because they require BTA services on a much greater scale and wider geographic scope than other customers.
- 6.11 **Volume of travel spend:** both Parties differentiate between their customers in their internal documents by reference to their high volume of travel (indicated by the value of a customer's annual TTV managed through the relevant Party):¹²⁷
- (a) GBT identifies customers which place \$30 million of annual TTV or more through GBT and describes them as GMN customers.¹²⁸ GBT also recognises in its internal documents that a TTV of more than \$30 million indicates a customer's requirement for '[REDACTED]'.¹²⁹
 - (b) CWT identifies customers which place \$25 million annual TTV or more through CWT and describes them as 'large enterprises' or 'enterprises'.¹³⁰ In internal documents, CWT focuses on active opportunities for these customers 'over \$25m' and 'over \$50m'.¹³¹ CWT internal documents also state that large enterprise customers and the high end of the mid-market (>\$10 million annual TTV) are its [REDACTED] areas of focus.¹³²
- 6.12 Our market testing confirmed that other industry participants also categorise their customers on this basis. For example, [REDACTED] categorises accounts as 'Enterprise' customers when they have spend of \$30 million or more annual through [REDACTED].¹³³

¹²⁵ [GBT Q3 2024 Earnings Conference Call](#), 5 November 2024, accessed by the CMA on 4 March 2025.

¹²⁶ CWT internal document.

¹²⁷ The relevant evidence is set out in Appendix D, paragraphs D.20-D.22.

¹²⁸ Appendix D, paragraph D.21, GBT internal document. The Parties also confirm in a submission that 'GBT's current starting point for determining whether to manage a customer as a GMN or SME is whether the customer spends more or less than \$30 million TTV'. Parties' submission to the CMA, 'Submission to the CMA on GMN Category of Customers', 19 September 2024, paragraph 2.8. In some instances, GBT also distinguishes between GMN customers with TTV between [REDACTED] and [REDACTED] (referring to them as '[REDACTED]') and those with annual TTV greater than [REDACTED] (referring to them as '[REDACTED]'). GBT internal document.

¹²⁹ Appendix D, paragraph D.33. See also GBT internal document. In this document GBT [REDACTED]. [REDACTED]. We note that for the vast majority of GMNs, the document lists [REDACTED]. We understand that this indicates that in a [REDACTED].

¹³⁰ Appendix D, paragraph D.22. CWT internal documents. In footnote 419 of the FMN, the Parties explain that [REDACTED]. We note that the Parties have claimed that CWT uses a threshold of \$[REDACTED] to identify these customers. However, as set out in Appendix D, paragraph D.22 this is not consistent with our review of the internal documents received from CWT.

¹³¹ Appendix D, paragraph D.22. CWT internal document.

¹³² CWT internal document.

¹³³ See Appendix F, paragraph F.25. See also third party response to the CMA's competitor questionnaire; and third party call note. At phase 1 [REDACTED] explained that the key differentiator was the 'size of customer'. [REDACTED] also explained that defining a large customer entails a combination of large in terms of their travel spend and large in terms of the number of markets in which the customer needs supporting. [REDACTED] further explained that when a customer is spending \$30-50 million, with a presence in more than twenty markets, that customer is likely to have a complicated travel programme (third party call note).

and [X] has a distinct team for serving its customers with spend greater than £[X] million annual TTV.¹³⁴

- 6.13 **Geographic coverage:** GBT's internal documents include [X].¹³⁵ Our market testing showed that other TMCs also identify GMN customers by reference to their requirement for travel services that span multiple distinct regions of the globe. For example, [X] distinguishes customers which spend annual TTV of \$30 million or more and which it services in more than one country and region (which it describes as 'enterprise' customers).¹³⁶ [X] explained that it considers companies with a presence in at least three different regions as GMN customers.¹³⁷

Supply-side factors

- 6.14 In respect of supply-side factors, the competitor evidence and internal documents show that only a limited number of TMCs are capable of supplying BTA services to GMN customers:
- 6.15 The Parties' internal documents suggest that [X] and as a result only certain TMCs are able to serve GMN customers.¹³⁸
- (a) For example, in a town hall speech in February 2023 when explaining the business' '[X] model', [X] stated that [X].¹³⁹ This is also consistent with [X].¹⁴⁰
- (b) As described in Appendix D, the Parties both also recognise in their internal documents that not all competitors are able to compete at the scale required to serve GMN customers. For example, CWT notes its '[X]' in contrast to '[X]' who it notes '[X]'.¹⁴¹ Similarly, GBT notes in one document that '[X]'.¹⁴²
- 6.16 Competitor evidence, including from TMCs identified by the Parties as being competitors, shows that there are material challenges to serving GMN customers.
- (a) TMCs explained that it takes significant time and investment to enter into the GMN segment¹⁴³ and that challenges include building a global service

¹³⁴ See Appendix F, paragraph F.25; and third party call note.

¹³⁵ Appendix D, paragraph D.33; and GBT internal document.

¹³⁶ See Appendix F, paragraph F.25; and third party response to the CMA's competitor questionnaire.

¹³⁷ Third party call note. [X] explained that it classes all customers with TTV of £5 million or more per annum as 'strategic' customers and that GMN customers are identified separately based on their global footprint.

¹³⁸ The relevant evidence is set out in Appendix D, paragraphs D.36-D.43.

¹³⁹ GBT internal document. In the [Parties' response to the Interim Report](#), the Parties submitted that we had misunderstood this document and that GBT was '[X]' (emphasis in original). We consider that this explanation is not consistent with a natural reading of the document giving the words their ordinary meaning: '[X]'.

¹⁴⁰ Third party response to the CMA's section 109 notice (**s109 notice**).

¹⁴¹ Appendix D, paragraph D.33; and CWT internal document.

¹⁴² Appendix D, paragraph D.48; and GBT internal document.

¹⁴³ See Appendix F, paragraphs F.65-F.67; and third party call note; and third party response to RFI.

infrastructure,¹⁴⁴ developing technology customisation,¹⁴⁵ expanding geographic coverage¹⁴⁶ and meeting regulatory requirements.¹⁴⁷

- (b) Another TMC further explained that barriers to building sufficient capacity and scale to serve GMN customers in a seamless and joined-up way include being able to recruit, train and manage consultant workforces in key markets.¹⁴⁸

- 6.17 The time-consuming nature of recruiting new agents is also recognised in a GBT internal document which notes that it can take up to [X] to train a travel agent to be fully proficient in more complex operational matters.¹⁴⁹
- 6.18 Though difficult, it is possible to build a customer base and scale and we note that FCM, Navan and CTM have all materially increased their GMN customer base in recent years.
- 6.19 For the reasons set out above, we consider that it is appropriate to distinguish the supply of BTA services to GMN customers from BTA services provided to other customers. For these purposes, we consider GMN customers to be customers who require services that support a high volume of travel across multiple distinct regions of the globe.
- 6.20 For the purpose of our assessment, and consistent with the Parties and other TMCs' classifications described above, we consider that a high-volume of travel is indicated by a customer placing \$25 million or more of annual TTV through a single TMC. This is not a bright-line threshold,¹⁵⁰ and we do not need to come to a finely balanced judgment on which customers fall 'inside' or 'outside' the market.¹⁵¹ Instead, we have used this threshold to focus our assessment on the effects of the Merger on the supply of BTA services to GMN customers. In conducting our competitive assessment, we have, where appropriate, carried out sensitivity analyses at \$15 million annual TTV¹⁵² which confirmed that the application of the \$25 million threshold provided a robust view of the market as the assessment did not change materially if the lower threshold was applied. We have also considered out-of-market constraints in our assessment including the extent to which TMCs who do not currently serve GMN customers could expand into the segment.

¹⁴⁴ Third party response to RFI.

¹⁴⁵ See Appendix F, paragraph F.66; and third party response to RFI.

¹⁴⁶ See Appendix F, paragraph F.66; and third party response to RFI.

¹⁴⁷ See Appendix F, paragraph F.67; and third party responses to RFI.

¹⁴⁸ Third party response to CMA's RFI.

¹⁴⁹ GBT internal document.

¹⁵⁰ We explicitly noted in paragraph 5.15 of our Interim Report that \$25 million annual TTV was not a bright-line threshold and we had carried out sensitivity analyses.

¹⁵¹ [CMA129](#), paragraph 9.4.

¹⁵² See paragraph 6.18.

Multi-sourcing as an alternative

- 6.21 The Parties submitted that multi-sourcing is [X] in the market and many GMN customers choose to split their business travel between multiple TMCs.¹⁵³ We have therefore considered the extent to which multi-sourcing, meaning customers splitting a high volume of travel into smaller volumes managed by multiple TMCs, should be considered as part of the same market as customers placing a high volume of travel with a single TMC.
- 6.22 The Parties submitted that multi-sourcing is a credible alternative to meet a customer's requirements for consistent coverage and consistently high service levels, and the evidence indicates that it is common for customers to multi-source. The Parties also submitted that customers can use third party duty of care providers to meet duty of care requirements when they multi-source.¹⁵⁴
- 6.23 The evidence we have received from customers, competitors as well as the Parties' internal documents, indicates that GMN customers do not view multi-sourcing as a substitute to placing a high volume of travel with a single TMC. In particular:
- (a) In our market testing, we found that customers' spend tends to be concentrated with one TMC and that most respondents to our questionnaire appoint TMCs on a global basis.¹⁵⁵ Customers explained using a single TMC improves efficiency, consistency and simplicity for managing travel.¹⁵⁶ When customers choose to appoint multiple TMCs this is usually for specific reasons (for example to serve a specific local requirement or as a result of a legacy arrangement)¹⁵⁷ and the majority of their spend is still placed with a single global TMC.¹⁵⁸
 - (b) Competitors explained that GMN customers prefer to use a single TMC globally to achieve a consistent global travel experience that complies with duty of care policies.¹⁵⁹ Competitors also explained that customers do not want to reconcile data from multiple providers and want to simplify their data collection and analysis.¹⁶⁰ One competitor explained that, as a result, the majority of customers with high-volume travel requirements (specifically annual TTV greater than \$30 million) have a global TMC which centrally manages their travel programme.¹⁶¹

¹⁵³ Appendix A, paragraphs A.14.

¹⁵⁴ Parties' submission to the CMA, 'Submission on Duty of Care', 4 October 2024, paragraphs 1.1 and 1.4.

¹⁵⁵ Appendix E, paragraph E.14.

¹⁵⁶ Appendix E, paragraph E.20; and third party call notes.

¹⁵⁷ Appendix E, paragraph E.18; and third party call notes; and third party response to the CMA's questions in lieu of a call.

¹⁵⁸ Appendix E, paragraph E.19.

¹⁵⁹ Appendix F, paragraph F.28; and third party call note.

¹⁶⁰ Appendix F, paragraph F.28; and third party call note.

¹⁶¹ Third party call note.

- (c) As summarised in Appendix D, there is some evidence in the internal documents that (at least some) customers prefer to consolidate with one TMC. For example, internal CWT emails and loss reports record conversations with customers post-tender wherein they refer to [X].¹⁶²

6.24 On the basis of the evidence received, we do not consider that multi-sourcing is a substitute from a demand-side perspective and therefore we do not consider that it forms part of the same product market as customers placing a high volume of annual TTV with a single TMC. However, we have considered multi-sourcing as an out-of-market constraint in paragraphs 7.145 to 7.164.

Unmanaged travel as an alternative

6.25 As described more fully in Appendix A, the Parties submitted that in-house travel management and unmanaged travel are an alternative to managed travel provided by a TMC.¹⁶³ The Parties distinguish between in-house travel management, which they explain is more common for larger companies that can afford to employ staff to manage, and unmanaged travel which refers to employees booking travel outside of a managed travel programme (eg directly with suppliers or via OTAs and then expensing the travel back to the firm). The Parties submitted that both in-house and unmanaged travel can act as an alternative to managed travel and that GMN customers will also often use in-house management and/or unmanaged travel alongside a TMC.

6.26 The evidence we have received from customers, competitors and other market participants as well as the Parties' internal documents, indicates that GMN customers do not view in-house and unmanaged travel as an alternative to managed travel. In particular:

- (a) Customer evidence shows that GMN customers do not consider unmanaged travel as an alternative to managed travel.¹⁶⁴ Almost all customers that responded to our questionnaire in phase 1 told us that they did not consider unmanaged travel – either where employees booked their own travel or where travel is wholly managed in-house – as a suitable alternative to using a TMC for their business travel needs.¹⁶⁵ This view was confirmed by customers that we have spoken to during our phase 2 inquiry.¹⁶⁶ For example, many of the Parties' GMN customers said that having a TMC was essential to meet duty of care requirements. They explained that TMCs allowed them to quickly respond to disruptions and provide sufficient data

¹⁶² Appendix D, paragraph D.15; and CWT internal document.

¹⁶³ As summarised in Appendix A, paragraph A.16.

¹⁶⁴ See Appendix E, paragraphs E.11 to E.13.

¹⁶⁵ CMA, [Phase 1 Decision](#), 30 July 2024, paragraph 56.

¹⁶⁶ The relevant evidence is set out in Appendix E, paragraph E.13.

reporting. They also explained that a TMC enabled them to contain the costs of business travel and enforce a travel policy.¹⁶⁷

- (b) Competitor evidence similarly indicates that customers require a TMC to provide a consistent global travel experience that complies with their duty of care requirements and provide specialist services such as employee tracking, visa procurement, disaster response, disruption mitigation and expense tracking.¹⁶⁸ The evidence gathered during the phase 1 investigation also showed that most competitors do not consider in-house travel management a competitive threat to their business.¹⁶⁹
- (c) No competitors indicated that TMC customers commonly switched back to unmanaged travel and one competitor explicitly indicated this was very uncommon.¹⁷⁰

6.27 On the basis of the evidence received, we do not consider that managed and unmanaged business travel are substitutable from a demand-side perspective and therefore we do not consider that they form part of the same product market. However, we have considered unmanaged travel as an out-of-market constraint in paragraphs 7.166 to 7.171.

Conclusion on product market

6.28 For the reasons set out above, we consider that the relevant market for the assessment of the Merger is the supply of BTA services to GMN customers (namely customers requiring services that support a high volume of travel indicated by \$25 million or more of annual TTV placed through a single TMC across multiple distinct regions of the globe).

Geographic market

6.29 As summarised in Appendix A, the Parties submitted that the most appropriate geographic market is global.¹⁷¹ The Parties submitted that this was on account of the TMCs' geographic coverage and explained that TMCs have the ability to serve a business customer's employees in different countries, as well as to offer travel services in different destination countries.¹⁷²

¹⁶⁷ The relevant evidence is set out in Appendix E, paragraph E.13. Third party call notes.

¹⁶⁸ See Appendix F, paragraphs F.28 for details; and third party call notes.

¹⁶⁹ Five out of seven third party responses to the CMA's competitor questionnaire.

¹⁷⁰ See Appendix F, paragraph F.28(c); and third party call note.

¹⁷¹ See Appendix A, paragraph A.25; and FMN, 3 June 2024, paragraph 12.12.

¹⁷² See Appendix A, paragraph A.25; and FMN, 3 June 2024, paragraph 12.12.

- 6.30 As with product market, defining the geographic market involves identifying the most important competitive alternatives to the merger firms.¹⁷³ The evidence we have received supports the Parties' submission that this is a global market:
- (a) Both Parties have a global customer base and support travel across the globe with each offering services in more than 120 countries.¹⁷⁴ This is reflected in the nature of the customers that we have spoken to during the investigation, with the vast majority of respondents to our questionnaire appointing a TMC to serve them globally.¹⁷⁵
 - (b) Tender processes for GMN customers are generally conducted on a global basis.¹⁷⁶
 - (c) The evidence we have received from customers indicates that most GMN customers would not generally consider using country-specific or regional TMCs (except where there are specific local requirements or preferences).¹⁷⁷
 - (d) Customers located in different countries also had consistent descriptions of the market, the TMCs they would consider as competitors and the parameters of competition.¹⁷⁸

Conclusion on geographic market

- 6.31 On the basis of the evidence described in paragraph 6.30 above, we consider that the relevant geographic market is global.
- 6.32 While we have found that the relevant geographic market is global, we note that both Parties have operations in the UK and that their customer bases include GMN customers which are based in and/or do business in the UK. In our competitive assessment we focus on competitive dynamics that are relevant to the Parties' GMN customers, including in the UK, and on the strength of the competitive constraints between the Parties and rival suppliers who serve those customers.

Conclusion on market definition

- 6.33 We conclude that the relevant market is the global market for the supply of BTA services to GMN customers (as mentioned at paragraph 6.20 above, meaning customers requiring services that support a high volume of travel indicated by

¹⁷³ [CMA129](#), paragraph 9.13.

¹⁷⁴ FMN, 3 June 2024, paragraph 2.1-2.2; and [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraph 7.4.

¹⁷⁵ See Appendix E, paragraph E.16.

¹⁷⁶ CMA, [Phase 1 Decision](#), 30 July 2024, paragraph 69.

¹⁷⁷ The relevant evidence is set out in Appendix E, paragraphs E.14-E.17.

¹⁷⁸ CMA, [Phase 1 Decision](#), 30 July 2024, paragraph 70.

\$25 million or more of annual TTV placed through a single TMC across multiple distinct regions of the globe).

7. COMPETITIVE ASSESSMENT

Introduction

- 7.1 We have investigated a horizontal unilateral effects theory of harm, namely whether the Merger, by removing the competition between the Parties in the market for the supply of BTA services to GMN customers, would allow the merged entity to profitably increase its prices, or worsen non-price aspects of its offering (eg quality, service, innovation). This is the same theory of harm that was assessed in the Phase 1 Decision. For the avoidance of doubt, in our investigation we are assessing the phase 1 evidence afresh, together with the evidence gathered in phase 2, and by reference to the phase 2 standard.
- 7.2 We set out our assessment in this section as follows:
- (a) First, we set out a high-level summary of the Parties' submissions that are most pertinent to our competitive assessment;
 - (b) Second, we set out our shares of supply estimate;
 - (c) Third, we set out our assessment of the bidding data of the Parties, other analysis, and our own approach;
 - (d) Fourth, we set out our assessment of the customer evidence received during our investigation;
 - (e) Fifth, we set out our assessment of the competitor evidence received during our investigation;
 - (f) Sixth, we set out our assessment of the implications of CWT's financial position for its competitive strength;
 - (g) Seventh, we set out the impact of technological change on the competitive landscape, followed by evidence on the use of multiple TMCs and the suitability of unmanaged travel;
 - (h) Eighth, we consider the barriers to entry and expansion; and,
 - (i) Finally, we set out the conclusions to our competitive assessment.
- 7.3 We have conducted a forward-looking assessment, including a consideration of any likely expansion of TMCs already active in serving GMN customers and any likely new entry. We have assessed the scale and impact of any expansion plans

and whether technological change will impact competition within the two-year typical timeframe envisaged in the Merger Assessment Guidelines.¹⁷⁹

- 7.4 To carry out this assessment, we have taken into account a range of evidence including bidding data from both Parties, evidence from customers, competitors and other third parties, and from the Parties' and third parties' internal documents.

Parties' submissions

- 7.5 We set out below a high-level summary of the submissions made by the Parties which are most pertinent to our competitive assessment. The Parties' submissions are summarised more fully in Appendix A. In addition to the Parties' submissions that there is not a separate market for the supply of BTA services to GMN customers (and as such our competitive assessment is focussed on an incorrectly defined market, see Chapter 6), the Parties submitted the following:

- (a) The market is fragmented and intensely competitive for all customers.¹⁸⁰ GBT's own analysis, the bidding data, the results of the Parties' survey and customer case studies all evidence that the market is competitive and that there are a number of alternative TMCs that have the capabilities (including consistent global coverage, capacity service and support levels, scale and reputation) to meet the needs and preferences of GMNs customers' needs post-Merger.¹⁸¹
- (b) The Parties are not each other's closest competitors and the Merged Entity will continue to face competition from at least six competitors who are as, if not more, competitive than CWT.¹⁸² In a bidding market such as business travel, it is implausible that the Transaction may result in an SLC when customers have at least two or more options to choose from.¹⁸³
- (c) Multi-sourcing is [✂] amongst GMN customers and this provides an additional constraint on GBT.¹⁸⁴ Customers' ability to book some or all of their travel in-house or outside of a managed programme also represents a significant constraint.¹⁸⁵
- (d) As some of the largest and most powerful companies in the world, GMN customers are highly sophisticated purchasers with experienced procurement

¹⁷⁹ [CMA129](#), paragraph 8.33.

¹⁸⁰ Parties' Initial Substantive Meeting slides, 3 September 2024, slide 7; and Initial Substantive Meeting transcript, 3 September 2024, pages 7-8.

¹⁸¹ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 5.1; and Parties' submission to the CMA 'Submission on Competition from Many Other TMCs', 20 September 2024, pages 11-15.

¹⁸² Parties' Main Party Hearing slides, 5 December 2024, pages 25-28.

¹⁸³ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 5.1.

¹⁸⁴ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 6.1. Parties' Main Party Hearing slides, 5 December 2024, page 35.

¹⁸⁵ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 6.1. Parties' Main Party Hearing slides, 5 December 2024, page 35.

teams and will continue to exert a constraint on the Parties post-Merger.¹⁸⁶ This is reflected in GMNs' procurement resources, [REDACTED] contract terms and the [REDACTED] prices that they are able to negotiate.¹⁸⁷

- (e) No competition concerns can arise when such powerful customers have at least six credible options post-Merger.¹⁸⁸ Customers have also demonstrated an ability and incentive to sponsor new entry and expansion.¹⁸⁹
- (f) The Interim Report's findings are undermined by an unrepresentative and backward-looking market investigation including installed-based market share data, feedback from customers which have not tested the market in the last two years and bidding data that reflect historic outcomes and incumbency advantages.¹⁹⁰
- (g) Business travel is a dynamic market in a period of a technological, AI-accelerated transformation and requires a forward-looking view.¹⁹¹ Technological developments are rapidly replacing the need for significant offline servicing.¹⁹² [REDACTED].¹⁹³ In contrast, other players, including Spotnana, Navan and Kayak for Business are growing significantly, and, under a dynamic assessment, these new and growing players impose a greater competitive constraint.¹⁹⁴
- (h) Barriers to entry and expansion are insignificant.¹⁹⁵ New entrants Navan, Spotnana and Kayak/Blocksky are already winning GMN customers and global networks, switching costs and regulatory requirements do not represent a barrier to entry or expansion.¹⁹⁶ TMCs can win GMN customers [REDACTED].¹⁹⁷ TMCs can easily supply customers of any size.¹⁹⁸

Closeness of competition between the Parties and their rivals

Shares of supply

7.6 This section sets out the evidence on TMCs' shares of supply. There is a degree of differentiation between TMCs' offerings, and other evidence we collected is

¹⁸⁶ [Parties' response to the Interim Report](#), 27 November 2024, paragraphs 1.3 and 8.1.

¹⁸⁷ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 8.1.a.

¹⁸⁸ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 5.1.

¹⁸⁹ Parties' response to the Interim Report on Remedies, 9 January 2025, paragraph 2.17(ii).

¹⁹⁰ [Parties' response to the Interim Report](#), 27 November 2024, paragraphs 1.9 and 4.1

¹⁹¹ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 4.1.

¹⁹² Parties' response to the Interim Report on Remedies, 9 January 2025, paragraph 2.1.

¹⁹³ CWT submission to the CMA, 4 October 2024.

¹⁹⁴ Parties' submission to the CMA 'Submission on Tech-led TMCs', 25 September 2024, page 20; and [Parties' response to the Interim Report](#), 27 November 2024, paragraph 4.2b.iii.

¹⁹⁵ [Parties' response to the Phase 1 Decision](#), 23 August 2024, section 7.

¹⁹⁶ [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraph 7.2.

¹⁹⁷ [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraph 7.21.

¹⁹⁸ [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraph 2.6.

more directly informative of closeness of competition between TMCs for GMN customers (eg, bidding data). However, we consider shares of supply provide an indication of TMCs' current relative market positions and, by reflecting TMCs' scale, they give some indication of their ability to cater to GMN customer requirements.

- 7.7 In what follows we first set out our view on the relevance of shares of supply in this case. We then present our analysis which reconstructs shares of supply based on competitor data. The Parties' submissions on shares of supply and our response to the Parties' submissions and evidence from the Parties' internal documents are set out in Appendix B.
- 7.8 Based on our reconstruction, the Parties, alongside BCD, are the largest TMCs supplying GMN customers.

Our view on the relevance of shares of supply

- 7.9 As set out in the Interim Report, we consider shares of supply provide an indication of the TMCs' current relative market positions and of their relative scale. Based on the evidence we have seen (see paragraphs 5.6 to 5.10 and 6.15(b)), we consider that scale is indicative of a TMC's capability to cater to a large number of GMN customers. However, as noted above we consider that other evidence, such as bidding data and customer evidence, is more directly informative of closeness of competition between the Parties and their rivals in this case.

Our share of supply estimates

- 7.10 We reconstructed the shares of supply for GMN customers for 2023 using data submitted to us by 19 TMCs (see Table 7.1 below). The details of the shares of supply calculation are provided in Appendix B. In summary, we have included the four TMCs that the Parties said compete most closely with them (BCD, FCM, CTM and Navan). We also requested data from all other TMCs that were considered (or would be considered today) as alternatives to the Parties by at least one respondent to our customer questionnaire.¹⁹⁹ We have seen no evidence that other TMCs are active to any meaningful extent in the supply of BTA services to GMN customers and, as such, we consider this is a methodologically sound approach to estimate shares of supply. Furthermore, we note that the inclusion of additional smaller TMCs would be unlikely to materially change the share of supply estimates given their low numbers of GMN customers.

¹⁹⁹ Ten of the third parties we contacted did not respond and provide their TTV data. We do not consider that the omission of this data would materially change the share analysis because based on all the evidence we have gathered, we understand these suppliers to be very small. This point is discussed further in Appendix B.

7.11 Our analysis shows that, based on 2023 GMN customer data, GBT and CWT have a combined share of supply of [60-70%] ([30-40%] GBT and [20-30%] CWT) based on TTV and [50-60%] ([30-40%] GBT and [10-20%] CWT) based on the number of customers. BCD is the second largest TMC with a [20-30%] and [20-30%] share based on TTV and number of customers respectively; FCM's share is [0-5%] and [5-10%] respectively; CTM's share is [0-5%] and [0-5%] respectively and Navan's share is [0-5%] and [0-5%] respectively.

Table 7.1: Reconstructed shares of supply (19 TMCs), by TTV and number of customers, for GMN customers with TTV at or above \$25 million in 2023

Name of TMC	(%)	
	By TTV (\$[3]billion)	By number of customers ([3])
GBT	[30-40]	[30-40]
CWT	[20-30]	[10-20]
Parties' combined share	[60-70]	[50-60]
BCD	[20-30]	[20-30]
FCM	[0-5]	[5-10]
Navan	[0-5]	[0-5]
CTM	[0-5]	[0-5]
ATPI	[0-5]	[0-5]
Booking	[0-5]	[0-5]
Clarity	[0-5]	[0-5]
Internova	[0-5]	[0-5]
Spotnana	[0-5]	[0-5]
TravelPerk	[0-5]	[0-5]
ADTRAV	[0-5]	[0-5]
Copastur TPI	[0-5]	[0-5]
Direct Travel	[0-5]	[0-5]
FAST	[0-5]	[0-5]
JTB	[0-5]	[0-5]
Radius	[0-5]	[0-5]
Viajes El Corte Ingles	[0-5]	[0-5]
Total	100	100

Source: CMA calculations based on: GBT internal document, Annex 2 to s109 notice 1, dated 16 August 2024, question 2.; CWT internal document, Annex 2 to s109 notice 1, dated 16 August 2024, question 2, third party internal documents, annex to the CMA's s109 notice; third party response to s109 notice; third party internal document, annex to the CMA's RFI; third party response to RFI; third party response to CMA's follow-up on RFI; and third party response to RFI.

Notes:

1. Percentages may not add up due to rounding. JTB's response covers Europe only and does not cover the TMC business within Japan, however JTB stated that the TMC business in Japan has a joint venture with CWT for the Japan market. Vision Travel (who was mentioned by one respondent) is captured in Direct Travel's data.
2. Our methodology did not capture whether a customer is present in multiple regions of the globe. However, we consider that the inclusion of some customers without multi-regional needs is unlikely to materially affect the relative positions of the TMCs shown by the shares. This is particularly the case as the shares of supply of the Parties and BCD are significantly larger than the shares of the other TMCs (our bidding analysis finds that each of the Parties and BCD won higher proportions of GBT's and CWT's tenders when we exclude those which may have been for single country contracts).
3. The data from the seven smallest competitors may include instances where their customers have a TTV of less than \$15 million or \$25 million with them. This data relates to customers with a total TTV (across suppliers) of more than \$15 million and \$25 million, not necessarily with a single supplier. This may very marginally overstate other rivals' positions but this would be to a very limited extent given the small size of these competitors relative to others.

Bidding and other analyses

7.12 This section sets out the evidence on and our assessment of the bidding data and other analyses. Specifically, we analyse the following data: (i) the Parties' bidding data (with the full results set out in Appendix C); (ii) the Parties' GMN customer wins and losses; (iii) the Parties' and rival TMCs' data on the number and TTV of

their GMN customers over 2019-2024; and (iv) the Parties' and rival TMCs' data on newly acquired GMN customers in 2021-2023.

- 7.13 We first set out our analysis of the Parties' bidding data, in particular the analysis of winners and participants in the opportunities that the Parties were involved in. We then present the Parties' analysis and arguments on their bidding data, including the analyses of winners in the opportunities that the Parties bid for and of the Parties' GMN customer wins and losses. We follow this by providing our assessment of the Parties' submissions. Finally, we present our analysis of recent trends in GMN customer numbers/TTV, new GMN customer acquisitions and the Parties' GMN customer losses.
- 7.14 Overall, we consider that our further review of the bidding data confirms that BCD and GBT are currently the two strongest competitors in the market by far, and has also led us to conclude both are substantially stronger than CWT. We also consider that the data shows that FCM, though smaller, is a material competitive constraint. The bidding data shows that other TMCs including CTM and Navan are also competing against the Parties in tenders.
- 7.15 Our analysis of recent trends in the number and associated TTV of GMN customers, together with our updated analysis of new GMN customer acquisitions, shows that competitors such as FCM, CTM and Navan have been consistently increasing the number of customers and associated TTV that they support. As these businesses continue to grow we expect they will exert increased competitive constraints in the market.
- 7.16 This analysis shows that CWT has been losing [X] TTV in recent years than it has won and has a [X] diminished number of GMN customers. This is consistent with data showing that CWT has acquired [X] newly acquired GMN customers than other TMCs.

Our analysis of the Parties' bidding data

GBT's bidding data

- 7.17 In this section, we consider the [X] opportunities from the GBT dataset where the bidding opportunity involved TTV above \$25 million (a total TTV of \$[X] billion). We analyse both participation and win frequencies/values by other TMCs in GBT's tenders. We also analyse a subset of tenders removing those which were marked in the dataset as country-specific rather than multi-regional.
- 7.18 In relation to tender wins, as shown in Table 7.2, out of the opportunities with TTV above \$25 million GBT participated in over the three-year period between 2021 and 2023, BCD won [10-20%] of TTV, CWT won [10-20%] and FCM won [5-10%],

Navan won [0-5%] and CTM won [0-5%]. All other TMCs (including Spotnana and Blocksbye/Kayak/Gant Travel) jointly won [5-10%] of TTV.²⁰⁰

7.19 When we consider the number of opportunities won rather than the TTV, BCD won [10-20%] of these opportunities whilst CWT and FCM each won [5-10%]. Navan won [0-5%] and CTM won [0-5%]. All other TMCs (including Spotnana and Blocksbye/Kayak/Gant Travel) collectively won [5-10%].

Table 7.2: Winner identity analysis (GBT data), by TTV and number of opportunities, for GMN customers with TTV at or above \$25 million in the 2021-2023 period

Winners	TTV (\$[redacted]million)	(%)
		Number of opportunities ([redacted])
GBT	[50-60]	[50-60]
CWT	[10-20]	[5-10]
CWT/Spotnana	[0-5]	[0-5]
BCD	[10-20]	[10-20]
FCM	[5-10]	[5-10]
Navan	[0-5]	[0-5]
CTM	[0-5]	[0-5]
Spotnana	[0-5]	[0-5]
Blocksbye/Kayak/Gant Travel	[0-5]	[0-5]
Other TMCs	[0-5]	[5-10]
In-house	[0-5]	[0-5]
Unknown	[0-5]	[0-5]

Source: CMA calculations based on GBT response to the CMA's RFI 3 dated 11 September 2024.

Note: Renewal wins (including those of GBT) have been included in this analysis.

7.20 In relation to participation in tenders, as shown in Appendix C, Table C.1, we found that out of all opportunities with TTV above \$25 million GBT participated in over the three-year period between 2021 and 2023, BCD competed for [70-80%] of TTV and CWT for [50-60%] of TTV. FCM competed for a smaller, but material, share of TTV, [20-30%]. Out of the other TMCs, Navan competed for [10-20%] of TTV, CTM for [5-10%], Spotnana for [5-10%] and Blocksbye/Kayak/Gant Travel for [0-5%]. All other TMCs jointly competed for [10-20%] of TTV.

7.21 When we consider the number of opportunities rather than the TTV, BCD participated in [60-70%] of these opportunities, CWT in [50-60%] and FCM in [20-30%]. Navan and CTM each participated in [10-20%] of opportunities, while Spotnana and Blocksbye/Kayak/Gant Travel each in [0-5%]. All other TMCs collectively participated in [10-20%].

7.22 When one removes those opportunities marked as being single-country contracts from GBT's datasets²⁰¹ to factor in the multi-regional dimension of GMN customers' requirements – which reduces the total number of opportunities to [redacted] – it remains the case that, after GBT, BCD won the most ([20-30%]) followed by CWT ([10-20%], then FCM ([5-10%]). The rest of the TMCs won small shares of TTV, in each case that share was similar to or smaller than when single-country

²⁰⁰ In contrast to Table 6.2 in the Interim Report, we include GBT renewal wins in Table 7.2.

²⁰¹ [redacted]. GBT response to the CMA's RFI 3 dated 11 September 2024, question 9.

contracts were included, as set out in Table 7.2. Further, when opportunities marked as being single-country contracts are excluded, CWT’s and BCD’s participation increased by approximately [5-10] percentage points in terms of both TTV and number of opportunities and participation did not change significantly for the other TMCs for either TTV and number of opportunities.

CWT’s bidding data

- 7.23 Similarly to the approach we took with GBT bidding data, we consider the [X] opportunities from the CWT dataset where the bidding opportunity involved TTV above \$25 million (a total TTV of \$[X] billion). We analyse both participation and win frequencies/values by other TMCs in CWT’s tenders.
- 7.24 In relation to tender wins, as shown in Table 7.3, out of the opportunities with TTV above \$25 million CWT participated in over the three-year period between 2021 and 2023, BCD won by far the largest share with [40-50%] of TTV, while GBT won [10-20%], FCM won [10-20%], CTM won [5-10%], Navan won [0-5%] and all other TMCs (excluding smaller TMCs such as Amadeus) in aggregate won [0-5%] of TTV.²⁰²
- 7.25 When we consider the number of opportunities rather than the TTV, BCD won [20-30%] of these opportunities, GBT won [20-30%] and FCM won [5-10%]. CTM won [0-5%] and Navan won [0-5%]. All other TMCs (excluding smaller TMCs such as Amadeus) collectively won [0-5%].

Table 7.3: Winner identity analysis (CWT data), by TTV and number of opportunities, for GMN customers with TTV at or above \$25 million in the 2021-2023 period

Winners	TTV (\$[X]million)	(%)
		Number of opportunities ([X])
CWT	[10-20]	[20-30]
GBT	[10-20]	[20-30]
BCD	[40-50]	[20-30]
FCM	[10-20]	[5-10]
Navan	[0-5]	[0-5]
CTM	[5-10]	[0-5]
Amadeus	[0-5]	[0-5]
China Travel	[0-5]	[0-5]
Internova	[0-5]	[0-5]
MSC Cruises	[0-5]	[0-5]
QBT	[0-5]	[0-5]
Travelgo	[0-5]	[0-5]
Local agent	[0-5]	[0-5]
Other	[0-5]	[0-5]
Unknown	[0-5]	[0-5]
In-house	[0-5]	[0-5]

Source: CMA calculations based on Parties’ response to the CMA’s RFI 1 dated 12 August 2024, question 15.

Note: Renewal wins (including those of CWT) have been included in this analysis.

²⁰² In contrast to Table 6.3 in the Interim Report, we include CWT renewal wins in Table 7.3.

- 7.26 In relation to participation in tenders, as shown in Appendix C, Table C.3, we found that out of the opportunities with TTV above \$25 million CWT participated in over the three-year period between 2021 and 2023, BCD competed for [60-70%] of TTV and GBT for [40-50%] of TTV. FCM competed for a smaller, but material, share of [20-30%], while CTM competed for [5-10%] and Navan for [0-5%]. All other TMCs (excluding smaller TMCs such as Amadeus) jointly competed for [5-10%] of TTV.
- 7.27 When we consider the number of opportunities rather than the TTV, BCD and GBT each participated in [50-60%] of these opportunities. FCM participated in [20-30%], Navan in [0-5%] and CTM in [0-5%]. All other TMCs (excluding smaller TMCs such as Amadeus) collectively participated in [20-30%].
- 7.28 When one removes those opportunities marked as single-country contracts from CWT's dataset (similarly to the analysis for GBT's bidding data discussed in paragraph 7.22 above) to factor in the multi-regional dimension of GMN customers' requirements – which reduces the number of opportunities to [✂] – BCD won the largest share of TTV ([40-50%]), followed by GBT ([20-30%]) and FCM ([5-10%]). The rest of the TMCs won similar or smaller shares of TTV compared to those set out in Table 7.3. BCD's and GBT's participation increased by approximately [0-5] percentage points in terms of both TTV and number of opportunities, while FCM's participation did not change materially. CTM did not participate since both the tenders won by CTM were marked as single-country opportunities in CWT's data.

Parties' analysis of the bidding data

Parties' submissions on the bidding data

- 7.29 Compass Lexecon, acting on behalf of the Parties, submitted its analysis of the Parties' bidding data for the period of 2021-2023 which included several sets of results based on different subsets of tender opportunities.
- 7.30 The Parties' and Compass Lexecon's arguments in relation to the approach to the bidding analysis can be summarised as follows (further details are provided in Appendix C):
- (a) Tender opportunities should not be limited to those with expected annual TTV of \$25 million and over since this is not consistent with our market definition and does not account for multi-sourcing;²⁰³
 - (b) The number of opportunities is a more informative metric than TTV because there are a few high TTV opportunities in the bidding datasets leading to

²⁰³ Parties, Annex 1 to the response to the Interim Report, 27 November 2024, paragraphs 2.8 and 2.9.

bias, especially the high value of the [redacted] bid which accounts for [10-20] percentage points of CWT's TTV win rate of [10-20%].²⁰⁴ Considering the number of opportunities instead gives the same weight to all opportunities;²⁰⁵

- (c) The opportunities where the winner was the incumbent TMC should be excluded from the analysis. Compass Lexecon argued that assessing closeness of competition is best done when alternatives are 'similarly situated'.²⁰⁶ Further, the Parties submitted that this removes any incumbency bias from the results²⁰⁷ which (for any TMC, including CWT) will become less relevant over time as customers' awareness of other credible TMCs increases;²⁰⁸
- (d) The Parties additionally argued that renewal bids cannot be informative because the following 'theories of harm' do not hold:²⁰⁹
 - (i) CWT's existing GMN customers would not materially benefit from an independent CWT because there is no evidence that CWT is offering lower prices. Further, according to the Parties, any lower prices would be offset by [redacted] and over time result in [redacted] and there is no evidence that existing customers would get systematically better terms from an independent CWT than from other TMCs; and
 - (ii) GBT winning customers from CWT does not suggest that customers would stay with GBT post-Merger if GBT were to increase prices. Those customers that do transfer to GBT will no longer be existing CWT customers and hence GBT renewal losses is the relevant dataset to consider.
- (e) CWT's bidding data is not relevant to the assessment of the Merger because CWT's product will be [redacted]. [redacted], which must be done using GBT's bidding data. Compass Lexecon stated that, in any event, the findings of the analysis of CWT's bidding data are no different from those resulting from GBT's bidding data.²¹⁰

7.31 Compass Lexecon argued that its bidding analysis shows that CWT is a [redacted] for GBT, GBT faces [redacted] competition from many more than five other strong

²⁰⁴ Parties, Annex 1 to the response to the Interim Report, 27 November 2024, paragraph 3.20.

²⁰⁵ Parties, Annex 1 to the response to the Interim Report, 27 November 2024, paragraph 3.22.

²⁰⁶ GBT submission to the CMA 'Submission to CMA on bidding analysis', 3 October 2024, paragraph 1.13.

²⁰⁷ GBT submission to the CMA 'Submission to CMA on bidding analysis', 3 October 2024, paragraph 1.1.

²⁰⁸ GBT submission to the CMA 'Submission to CMA on bidding analysis', 3 October 2024, paragraph 1.13.

²⁰⁹ Parties' submission to the CMA 'Questions and concerns raised at and after the Main Party Hearing', 20 December 2024, paragraphs 9.a and 9.b.

²¹⁰ It stated that the analysis of CWT's bidding data shows that [redacted]. GBT submission to the CMA 'Submission to CMA on bidding analysis', 3 October 2024, paragraph 1.6.

competitors²¹¹ and that the in-house option is [redacted] considered and chosen by customers.²¹²

- 7.32 Compass Lexecon submitted that based on its bidding analysis for all customers, [redacted].²¹³ Compass Lexecon stated that there are no qualitative differences in the results between the analysis conducted for all customers and that restricted to only GMN customers, irrespective of how they are defined.²¹⁴
- 7.33 For the set of all opportunities that GBT participated in (excluding GBT's renewal wins), Compass Lexecon stated that GBT loses more frequently to BCD and FCM than to CWT (in terms of TTV for both, and in terms of number of opportunities for BCD), while Navan wins more than a third of GMN opportunities won by CWT (both in terms of TTV and number of opportunities). For this set of opportunities, and under the Parties' GMN customer definition, as shown in Table 7.4, BCD won [10-20%] of opportunities, FCM won [5-10%] and Navan won [0-5%], which compares to CWT's [5-10%]. In terms of TTV and under the Parties' GMN customer definition, BCD won [20-30%] of TTV, FCM won [10-20%] and Navan won [0-5%], compared to CWT's [5-10%]. Compass Lexecon also submitted that [redacted].²¹⁵
- 7.34 Compass Lexecon also stated that the results of the subset of analysis based on miss and loss data where incumbent wins against GBT are excluded (and regardless of how GMN customers are defined) indicate that GBT loses much more frequently to BCD, FCM and Navan than to CWT (both in terms of TTV and number of opportunities). For this subset, and under the Parties' GMN customer definition, as shown in Table 7.4, BCD won [20-30%] of opportunities, FCM won [10-20%] and Navan won [10-20%], which compare to CWT's [0-5%]. Similarly, in terms of TTV and under the Parties' GMN customer definition, BCD won [50-60%] of TTV, FCM won [10-20%], and Navan won [5-10%], compared to CWT's [0-5%]. Compass Lexecon also submitted that Kayak has won a significant proportion of the bid value (much higher than CWT), while CTM wins [redacted] CWT.²¹⁶ The Parties also stated that Kayak for Business / Blockskye wins more than [redacted] times the TTV won by CWT.²¹⁷

²¹¹ GBT submission to the CMA 'Submission to CMA on bidding analysis', 3 October 2024, paragraph 7.3.

²¹² GBT submission to the CMA 'Submission to CMA on bidding analysis', 3 October 2024, paragraphs 7.1-7.2.

²¹³ GBT submission to the CMA 'Submission to CMA on bidding analysis', 3 October 2024, paragraph 7.1.

²¹⁴ GBT submission to the CMA 'Submission to CMA on bidding analysis', 3 October 2024, paragraph 7.2.

²¹⁵ GBT submission to the CMA 'Submission to CMA on bidding analysis', 3 October 2024, paragraph 5.11..

²¹⁶ Parties, Annex 1 to the response to the Interim Report, 27 November 2024, paragraph 3.34..

²¹⁷ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 4.2.a.iii.

Table 7.4: Winner identity analysis (GBT data), Compass Lexecon's analysis

Winners	Compass Lexecon's analysis (miss, loss and win data)		Compass Lexecon's analysis (miss and loss data, non-incumbent winners)	
	TTV (\$[redacted]million)	Number of opportunities ([redacted])	TTV (\$[redacted]million)	Number of opportunities ([redacted])
GBT	[30-40]	[40-50]	-	-
CWT	[5-10]	[5-10]	[0-5]	[0-5]
CWT/Spotnana	[5-10]	[0-5]	[0-5]	[0-5]
BCD	[20-30]	[10-20]	[50-60]	[20-30]
FCM	[10-20]	[5-10]	[10-20]	[10-20]
Navan	[0-5]	[0-5]	[5-10]	[10-20]
CTM	[0-5]	[0-5]	[0-5]	[0-5]
Spotnana	[0-5]	[0-5]	[0-5]	[0-5]
Blockskye/Kayak/Gant Travel	[0-5]	[0-5]	[10-20]	[0-5]
Other TMCs	[5-10]	[20-30]	[5-10]	[20-30]
In-house	[0-5]	[5-10]	[0-5]	[5-10]
Unknown	[5-10]	[0-5]	[5-10]	[10-20]

Source: GBT response to the CMA's RFI 3 dated 11 September 2024, paragraph 5.12. Parties, Annex 1 to the response to the Interim Report, 27 November 2024, paragraph 3.33.

Note: Compass Lexecon's analysis is based on the GMN customer definition described in Appendix C, paragraph C.21(b).

7.35 The Parties also submitted an analysis that sets out their wins, losses and renewals for each year between 2021 and 2023, in terms of the number of opportunities and TTV. Compass Lexecon stated that whilst GBT [redacted], CWT [redacted].²¹⁸ Compass Lexecon also submitted that whilst CWT's net win rate in terms of TTV improved slightly between 2021 and 2022, it decreased again [redacted] between 2022 and 2023.²¹⁹

Table 7.5: Analysis of GBT and CWT wins and losses (TTV, million USD), Compass Lexecon's analysis

Bid category	GBT			CWT		
	2021	2022	2023	2021	2022	2023
Renewals + wins	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Renewals	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Wins	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Losses	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Net wins (Wins – Losses)	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Net wins (% of TTV)	[0-5%]	[10-20%]	[20-30%]	-[70-80%]	-[10-20%]	-[60-70%]

Source: Parties, Annex 1 to the response to the Interim Report, 27 November 2024, paragraph 4.6.

²¹⁸ Parties, Annex 1 to the response to the Interim Report, 27 November 2024, paragraphs 4.6-4.9.

²¹⁹ Parties, Annex 1 to the response to the Interim Report, 27 November 2024, paragraph 4.8.

Table 7.6: Analysis of GBT and CWT wins and losses (number of opportunities), Compass Lexecon’s analysis

Bid category	GBT			CWT		
	2021	2022	2023	2021	2022	2023
Renewals + wins	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Renewals	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Wins	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Losses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net wins (Wins – Losses)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Net wins (% of opportunities)	[10-20%]	[10-20%]	[10-20%]	-[40-50%]	-[30-40%]	-[20-30%]

Source: Parties, Annex 1 to the response to the Interim Report, 27 November 2024, paragraph 4.9.

Our assessment of the Parties’ submissions

7.36 We set out our views in relation to each of the Parties’ arguments on the approach to the bidding analysis below.

7.37 First, we consider that the opportunities with expected annual TTV equal to or higher than \$25 million are the most relevant to the assessment of the Merger:

- (a) GMN customers who tender for a contract with expected annual TTV equal to or higher than \$25 million are part of the relevant market as following the award of the contract (if they do not already) they would place \$25 million or more of annual TTV through a single TMC;
- (b) In any case, we have also considered Compass Lexecon’s analysis of contracts that belong to GMN customers with total annual TTV of at least \$25 million (as recorded by GBT or CWT), and thus these customers could each hold a number of smaller value contracts which in total are greater than \$25 million. This analysis still shows that CWT and BCD won the largest amount of TTV against GBT between 2021-2023 (when the [REDACTED] win is correctly allocated to CWT rather than [REDACTED]). Similarly, GBT and BCD won the largest amount of TTV against CWT between 2021-2023;
- (c) In relation to ‘multi-sourcing’, to the extent to which a GMN customer has considered multi-sourcing from more than one TMC when tendering for a contract with annual TTV equal to or higher than \$25 million, will be captured in the bidding data and our analysis accounts for it. As such, it is not correct to say that our analysis does not at all account for multi-sourcing (see paragraph 7.30(a)). To the extent a GMN customer splits its overall TTV spend between a contract equal to or higher than \$25 million and other smaller contract(s), the fact that the customer has tendered for smaller value contracts does not affect the alternatives it has (and the competitive constraints between TMCs) for the larger contract. More generally, our evidence on multi-sourcing is set out in paragraphs 7.145 to 7.163.

- 7.38 Second, we have analysed the results based on both the number of opportunities and TTV. We consider both measures to be informative as indicated by the fact that both sets of results were presented in the Interim Report. We do not consider that focussing only on the number of opportunities, and thus giving the same weight to all opportunities regardless of their value, as argued by Compass Lexecon, is a preferable approach. While the results based on number of opportunities give an indication of the intensity of the tender activity and wins of each TMC, we consider that the results based on TTV (ie the value of the opportunity) better reflect the importance of the opportunities and hence TMCs' incentives to compete and win against each other. For example, we note that the [redacted] bid accounts for a large share of TTV won by CWT, which would not be accounted for if one looked solely at the number of opportunities won.
- 7.39 Third, whilst we consider that the extent to which CWT (or any other TMC) is able to win new customers is relevant for assessing CWT's (or the TMC's) competitive strength, we also consider that the opportunities related to customers who ultimately chose to remain with their incumbent TMC following a procurement process (ie renewals) are relevant to the assessment of the Merger. We have set out our detailed reasoning below:
- (a) We agree that given the high switching costs (as set out in paragraphs 5.16 to 5.21 on the process of switching between TMCs, and in Appendix E, paragraphs E.96 to E.98) in this market, incumbents benefit from incumbency advantages. However, we consider that where the incumbent wins, it gives an indication of the alternatives available to customers, as set out below;
 - (b) Renewals involve a relevant group of customers (either current or potential GMN customers of the Parties) and, at least in principle, a process of competition through a formal tender. We consider that the fact that the customer and the non-incumbent TMCs incur costs to go through a procurement process suggests that they believed a competitive process would take place through the tender, even if it was eventually won by the incumbent. Indeed, we have seen evidence of incumbents improving their bid to retain a customer in response to competition (see for example paragraph 7.132(c) in relation to [redacted] contract with [redacted], as well as paragraph 7.39(c) below);
 - (c) In relation to the specific arguments the Parties made around CWT, in addition to the points on renewals set out above, our views are as follows:
 - (i) On the Parties' argument that renewals should only be taken into account where there is evidence of CWT offering low prices, we do not consider this to be appropriate, or necessary, when assessing the competitive constraints faced by CWT. In a context where TMCs' offerings are highly differentiated and customers have heterogeneous

preferences, a customer will take into account a range of factors when choosing a TMC, including but not limited to price. Firms may win a tender even with a relatively higher price if other aspects of their offering are better than those offered by competitors. Finally, we note that according to the Parties' own submission CWT offers low prices to win customers (including for the [X] contract);²²⁰

- (ii) In relation to the Parties' arguments that CWT renewals are irrelevant because CWT [X], a relevant question to consider in our assessment is what options would remain available to CWT customers when CWT [X] as an independent competitor (relative to the options available to them in the counterfactual). Information on the alternatives considered by CWT customers in their most recent procurement where the customer ultimately renewed its contract with CWT is therefore relevant to this assessment.

7.40 Fourth, we disagree with Compass Lexecon that CWT's bidding data is not relevant to our assessment of the Merger (see paragraphs 7.23 to 7.28). We consider it is highly relevant for the assessment of the Merger to understand the degree of closeness of competition between GBT and CWT, and between CWT and other competitors, as this is indicative of the extent to which the Merged Entity could raise prices or deteriorate its offering to customers who have previously chosen or considered CWT. CWT data allows us to assess this by looking at GBT's participation and win rate compared to other TMCs in the opportunities that CWT participated in.

Our new and updated analyses of recent trends in GMN customer numbers/TTV, new GMN customer acquisitions and the Parties' GMN customer losses

7.41 In this section we present:

- (a) Our new analysis of changes in the number of GMN customers, and the associated total TTV, served by the Parties and rival TMCs over the 2019-2024 period;²²¹
- (b) Our updated analysis of the Parties' and rival TMCs' new GMN customer acquisitions over the period 2021-2023;²²² and

²²⁰ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 4.1.j.iv.

²²¹ This analysis was conducted after the Interim Report in response to submissions from the Parties at the main party hearing.

²²² We have clarified the interpretation of the results compared to the Interim Report.

(c) Our updated analysis of the Parties' GMN customer losses and whom those customers switched to.²²³

7.42 While this data does not provide direct evidence of competitive constraints that third party suppliers exert on the Parties (we understand it includes, for example, TTV for which suppliers were not competing with one or both of the Parties, eg instances where the TTV of an existing customer has increased in the course of a contract), we consider that it provides information about the performance of these businesses over time, which we consider to be indicative of their competitive position in future.

The Parties' and rival TMCs' GMN customer numbers and TTV

7.43 We received data from TMCs on the number and associated total TTV of all their GMN customers in 2019, 2023 and 2024 (forecasted for the full year).²²⁴ We considered what this data showed about changes in the number of GMN customers and associated total TTV served by those TMCs over the 2019-2024 period. Tables 7.7 and 7.8 show that, of the TMCs who provided data, CWT is the only TMC who had fewer GMN customers in 2024 compared to 2019. Both GBT and CWT have lower TTV in 2023 compared to 2019. GBT's TTV in 2023 was [20-30%] lower than in 2019 while CWT's TTV was [30-40%] lower. FCM, CTM and Navan had more GMN customers and more TTV associated with those customers in 2023 compared to 2019.

7.44 Comparing 2024 to 2023, GBT's TTV increased by [10-20%], and BCD's TTV increased by [10-20%], while CWT's TTV decreased by [0-5%]. The TTV managed by FCM, CTM and Navan increased by [10-20%], [40-50%] and [30-40%] respectively.²²⁵

²²³ We have updated the analysis (with marginal changes compared to the Interim Report) based on a revised assessment of the evidence previously received from the Parties. GBT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; and CWT response to the CMA's s109 notice 1 dated 16 August 2024, question 2.

²²⁴ The differences over time are driven only in part by wins and losses and also reflect inflation and changes in spending by individual customers (eg a customer increasing its spending from \$24 million TTV in 2023 to \$26 million TTV in 2024 would show up as growth of \$26 million rather than \$2 million). These figures also do not include customers acquired very recently as switching takes time.

²²⁵ We note that decreases for CWT between 2023 and 2024 may be as a result of the Merger, so we place limited weight on this finding.

Table 7.7: Total TTV of GMN customers over time (2019, 2023, 2024)

	TTV (million USD) from GMNs			2019 vs 2023		2019 vs 2024		2023 vs 2024	
	2019	2023	2024	Difference	%	Difference	%	Difference	%
GBT	[X]	[X]	[X]	[X]	-[20-30]	[X]	-[5-10]	[X]	[10-20]
CWT	[X]	[X]	[X]	[X]	-[30-40]	[X]	-[40-50]	[X]	-[5-10]
BCD	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[10-20]
FCM	[X]	[X]	[X]	[X]	[20-30]	[X]	[40-50]	[X]	[10-20]
Navan	[X]	[X]	[X]	[X]	[1,800-1,900]	[X]	[2,500-2,600]	[X]	[30-40]
CTM	[X]	[X]	[X]	[X]	-[5-10]	[X]	[30-40]	[X]	[40-50]
Spotnana	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[500-600]
Kayak/Booking	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[10-20]

Source: CMA calculations based on GBT response to the CMA's s109 notice 1 dated 16 August 2024, question; CWT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; GBT, response to the CMA's clarification questions to s109 notice 5 dated 10 December 2024, questions 1 and 2; CWT, response to the CMA's clarification questions to s109 notice 4 dated 10 December 2024, questions 1 and 2; third party responses to the CMA's RFI; third party responses to the CMA's s109 notice; and third party responses to the CMA's s109 notice.

Table 7.8: Total number of GMN customers over time (2019, 2023, 2024)

	Number of GMNs			2019 vs 2023		2019 vs 2024		2023 vs 2024	
	2019	2023	2024	Difference	%	Difference	%	Difference	%
GBT	[X]	[X]	[X]	[X]	-[0-5]	[X]	[0-5]	[X]	[5-10]
CWT	[X]	[X]	[X]	[X]	-[30-40]	[X]	-[30-40]	[X]	-[0-5]
BCD	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[10-20]
FCM	[X]	[X]	[X]	[X]	[10-20]	[X]	[30-40]	[X]	[10-20]
Navan	[X]	[X]	[X]	[X]	[1,200-1,300]	[X]	[1,600-1,700]	[X]	[30-40]
CTM	[X]	[X]	[X]	[X]	-[20-30]	[X]	[20-30]	[X]	[70-80]
Spotnana	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[100-150]
Kayak/Booking	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[0-5]

Source: CMA calculations based on GBT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; CWT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; GBT, response to the CMA's clarification questions to s109 notice 5 dated 10 December 2024, questions 1 and 2; CWT, response to the CMA's clarification questions to s109 notice 4 dated 10 December 2024, questions 1 and 2; third party responses to the CMA's RFI; third party responses to the CMA's s109 notice; and third party responses to the CMA's s109 notice.

The Parties' and rival TMCs' new GMN customer acquisitions

7.45 The Parties and their rival TMCs also provided information on the date they acquired new GMN customers²²⁶ (renewal wins, even when the TMC acquired additional TTV from the customer, are excluded). Table 7.9 shows: (i) the TTV in 2023 of the newly acquired GMN customers (ie acquired since 2021, with TTV equal or above \$25 million in 2023); and (ii) the TTV in 2023 of all GMN customers (ie including GMN customers acquired before 2021), for the Parties, BCD, FCM, Navan and CTM. Similarly, for the same TMCs, Table 7.10 shows: (i) the number of GMN customers in 2023 that are newly acquired (ie acquired since 2021, with TTV equal or above \$25 million in 2023); and (ii) the number of all GMN customers in 2023 (ie including GMN customers acquired before 2021).

7.46 The results show that of all of the TMCs considered in the analysis, GBT was the TMC that won the most TTV in 2023 from newly acquired GMN customers (as well as the highest number of them). Furthermore, BCD, FCM, CTM and Navan all won substantially more TTV in 2023 from newly acquired GMN customers than CWT.

Table 7.9: TTV from newly acquired GMN customers (2021-2023)

	TTV (million USD)			
	New TTV in 2023 (ie from GMNs acquired since 2021)	Total TTV in 2023	New TTV as a share of total TTV (%)	Shares of new TTV (%)
GBT	[X]	[X]	[10-20]	[40-50]
CWT	[X]	[X]	[0-5]	[0-5]
BCD	[X]	[X]	[10-20]	[20-30]
FCM	[X]	[X]	[40-50]	[10-20]
Navan	[X]	[X]	[60-70]	[5-10]
CTM	[X]	[X]	[20-30]	[0-5]
Total	[X]	[X]	-	100

Source: CMA calculations based on GBT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; CWT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; third party responses to the CMA's s109 notice; and third party responses to the CMA's RFI.

Table 7.10: Number of newly acquired GMN customers (2021-2023)

	Number of customers			
	Number of new GMNs in 2023 (ie acquired since 2021)	Total number of GMNs in 2023	Number of new GMNs as a share of total GMNs (%)	Shares of new GMNs (%)
GBT	[X]	[X]	[10-20]	[40-50]
CWT	[X]	[X]	[0-5]	[0-5]
BCD	[X]	[X]	[5-10]	[10-20]
FCM	[X]	[X]	[30-40]	[10-20]
Navan	[X]	[X]	[50-60]	[10-20]
CTM	[X]	[X]	[20-30]	[5-10]
Total	[X]	[X]	-	100

Source: CMA calculations based on GBT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; CWT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; third party responses to the CMA's s109 notice; and third party responses to the CMA's RFI.

²²⁶ These datasets are based on actual TTV (rather than bid value). GBT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; CWT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; third party responses to the CMA's s109 notice; and third party responses to the CMA's RFI.

The Parties' GMN customer losses

7.47 As stated above, our new analysis shows that overall CWT's TTV and total number of GMN customers have materially reduced in recent years. We have previously asked the Parties to indicate which GMN customers²²⁷ they had lost recently (approximately over the period from the start of 2022 to mid-2024) and, if known, to which TMCs the customers switched. The list provided by the Parties shows that CWT [X] ([X] compared to [X]). Of the [X] customers that CWT lost, [X] customers went to competitors other than GBT ([X] customers went to BCD, [X] to FCM, [X] to CTM and the remaining [X] to unknown TMCs) with the remaining [X] going to GBT. Of GBT's [X] lost customers, [X] were lost to CWT while the other [X] went to [X] and [X].²²⁸ In relation to the GBT losses, we consider that as a result of the very small number of observations involved, we are able to place only limited weight on this evidence when assessing which TMCs act as a competitive constraint on GBT.²²⁹ The full results are set out in Appendix C, Tables C.15 and C.16.

Customer evidence

- 7.48 In this section we first summarise the results of our customer evidence gathering that we consider to be relevant to the competitive assessment (and our views on the Parties's submissions in relation to this evidence). We then set out a summary of our views on the Parties' Survey, which was submitted to us after the publication of the Interim Report. Appendix E provides further detail on both.
- 7.49 Customer evidence is relevant for assessing the closeness of competition between the merging parties and their rivals in differentiated product markets. In response to the Interim Report, the Parties have made a number of submissions pointing to what they consider to be critical flaws in our approach to customer evidence gathering. We considered these submissions carefully, however, as described below, we do not consider that our evidence gathering was flawed or biased or that the customers were uninformed, [X].
- 7.50 On the contrary, we consider GMN customers on the whole to be sophisticated,²³⁰ and well-informed. GMN customers typically have specialist teams which conduct formal procurement processes for business travel (often using an RFP process)

²²⁷ Those who generated more than \$25 million in TTV in 2023.

²²⁸ We note that there is no support for these two TMCs being competitors to any material extent to GBT for GMN customers in any of the evidence we collected from third parties or the Parties' internal documents. [X] was considered by one respondent to our questionnaire and was rated by that customer as a 1 (not suitable) because it was considered to be 'not to the calibre of a global program'. Third party response to the CMA's customer questionnaire. [X] was considered by one respondent to our questionnaire and was rated as a 2 (somewhat suitable) because 'their global partner network vs wholly owned did not offer the global consistency we required'. Third party response to the CMA's customer questionnaire.

²²⁹ CMA calculations based on GBT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; and CWT response to the CMA's s109 notice 1 dated 16 August 2024, question 2.

²³⁰ In line with the Parties' own submissions (see paragraph 5.14 and Appendix A, paragraph A.18(a)).

and the evidence points to many of these teams monitoring the market during the period between those processes. We were able to engage directly with these teams, as we received 90 responses to our customer questionnaire and could probe key issues further through 11 calls and 2 pieces of feedback via email. We found the customer evidence informative and rich – the vast majority of customers provided explanations for their responses and many provided detail that indicated a good understanding of the market. Further, customer evidence was generally consistent. The approach to customer outreach and the detail of customer evidence is set out in Appendix E.

Our customer RFI evidence on suitability of alternative TMCs

- 7.51 This section summarises the results of our analyses of the TMCs that the Parties' customers with high TTV consider as alternatives to GBT and CWT and their suitability for their requirements.
- 7.52 The vast majority of these customers required consistent global coverage encompassing multiple regions of the globe and most customers had TTV of \$25 million or more with one of the Parties, and the remaining customers had TTV in excess of \$10 million.
- 7.53 In what follows we first set out the responses to our questions about which alternative TMCs the respondents considered when they last appointed one of the Parties. As part of our forward-looking assessment, we then consider whether the responses from those customers who tendered more recently differed, and also whether customers would view the market differently today. We also consider the reasons why customers viewed some TMCs as more or less suitable to their requirements by analysing their qualitative responses.

Alternatives considered when GBT or CWT were selected

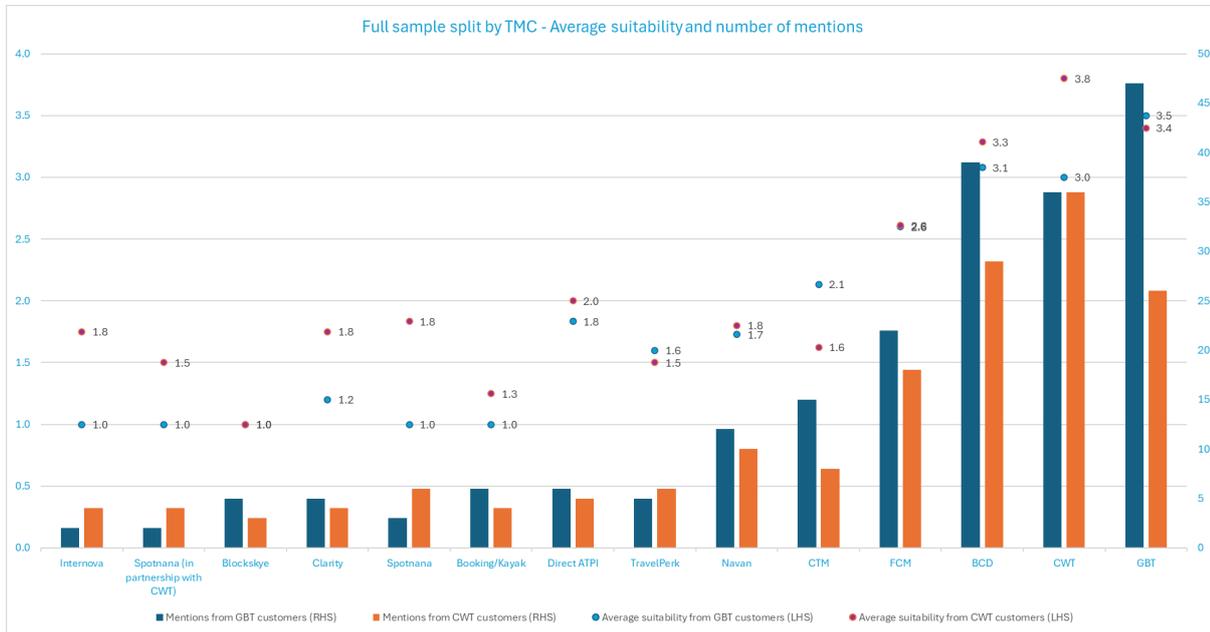
- 7.54 We asked the Parties' customers about the most recent procurement process in which they appointed one of the Parties as their TMC. We asked about the TMCs that they considered at the time and the degree to which each was suitable for their requirements (customers were asked to rate the TMCs they considered, including the one that they chose, from 1 to 4, where 1 was 'not suitable', 2 was 'somewhat suitable', 3 was 'suitable' and 4 was 'very suitable').²³¹
- 7.55 The Parties submitted that by measuring average suitability, we do not consider differences in ratings across customers. In this case we have a large number of questionnaire respondents, and so averages allow us to summarise these responses in a concise and legible manner. We have had regard to the full results

²³¹ We presented respondents with a list of 14 options that they could select and rate, and also gave them the option to add other TMCs. See Appendix E, paragraph E.22 for details of this question.

which set out the number of respondents that gave each rating, which are the basis for the averages that we present here. These are set out in Appendix E, Table E.1 and Figure E.2.

7.56 Figure 7.1 below summarises the results based on the last procurement processes of all the respondents, split by customers of GBT and customers of CWT.

Figure 7.1: All respondents split by GBT/CWT customers - TMCs average suitability and number of mentions



Source: CMA analysis of third party responses to the CMA’s customer questionnaire. Note that the vertical bars are measured on the right-hand axis and show the number of times that a TMC was considered by a customer, while the dots are measured on the left-hand axis and show the average suitability that a TMC received from these customers.

7.57 This figure shows the following.

- (a) We received 48 responses from GBT customers, of which 47 provided ratings for the TMCs that they considered (including GBT, which they appointed). GBT received an average rating of 3.5 (between ‘suitable’ and ‘very suitable’) from these customers. Given GBT won the contract and received the highest rating from these customers, GBT’s rating can be used as a benchmark to assess the other TMCs’ scores. 39 of these 47 customers considered BCD and gave it an average rating of 3.1 (marginally better than ‘suitable’).²³² 36 considered CWT and gave it an average rating of 3.0 (‘suitable’).²³³ 22 considered FCM and gave it an average rating of 2.6 (between ‘somewhat suitable’ and ‘suitable’)²³⁴ and 15 considered CTM and gave it an average rating of 2.1 (marginally better than ‘somewhat suitable’).²³⁵ 12 considered Navan and gave it an average rating of 1.7

²³² See Appendix E, Table E.2.
²³³ See Appendix E, Table E.2.
²³⁴ See Appendix E, Table E.2.
²³⁵ See Appendix E, Table E.2.

(between 'not suitable' and 'somewhat suitable').²³⁶ Spotnana was considered by 3 GBT customers and given an average rating of 1.0 ('not suitable')²³⁷ and Spotnana in partnership with CWT was considered by 2 GBT customers with an average rating of 1.0 ('not suitable').²³⁸

- (b) We received 42 responses from CWT customers, of which 36 provided ratings for the TMCs that they considered (including CWT, which they appointed). CWT received an average rating of 3.8 (close to 'very suitable') from these customers. Given CWT won the contract and received the highest rating from these customers, CWT's rating can be used as a benchmark to assess the other TMCs' scores. 29 of these 36 customers considered BCD and gave it an average rating of 3.3 (between 'suitable' and 'very suitable').²³⁹ 26 considered GBT and gave it an average rating of 3.4 (between 'suitable' and 'very suitable').²⁴⁰ 18 considered FCM and gave it an average rating of 2.6 (between 'somewhat suitable' and 'suitable').²⁴¹ 10 considered Navan and gave it an average rating of 1.8 (close to 'somewhat suitable')²⁴² and 8 considered CTM and gave it an average rating of 1.6 (between 'not suitable' and 'somewhat suitable').²⁴³ Spotnana was considered by 6 CWT customers and given an average rating of 1.8 (close to 'somewhat suitable').²⁴⁴ Spotnana in partnership with CWT was considered by 4 CWT customers with an average rating of 1.5 (between 'not suitable' and 'somewhat suitable').²⁴⁵

- 7.58 All other TMCs were considered infrequently. The most frequently considered were Travel Perk and ATPi (11 GBT and CWT customers in total), with ratings between 'not suitable' and 'somewhat suitable'. In addition to the TMCs shown in Figure 7.1, there are also 14 other TMCs that were mentioned as 'other' possibilities by respondents, but none were considered by more than three respondents.²⁴⁶

Alternatives considered when GBT or CWT were selected in the last two years

- 7.59 We analysed the responses of the subset of respondents who carried out their procurement exercise in the last two years. This subset consisted of 32 respondents, of which 30 provided suitability ratings, made up of 10 GBT customers and 20 CWT customers. The full results with the number of times each

²³⁶ See Appendix E, Table E.2.

²³⁷ See Appendix E, Table E.2.

²³⁸ See Appendix E, Table E.2.

²³⁹ See Appendix E, Table E.3.

²⁴⁰ See Appendix E, Table E.3.

²⁴¹ See Appendix E, Table E.3.

²⁴² See Appendix E, Table E.3.

²⁴³ See Appendix E, Table E.3.

²⁴⁴ See Appendix E, Table E.3.

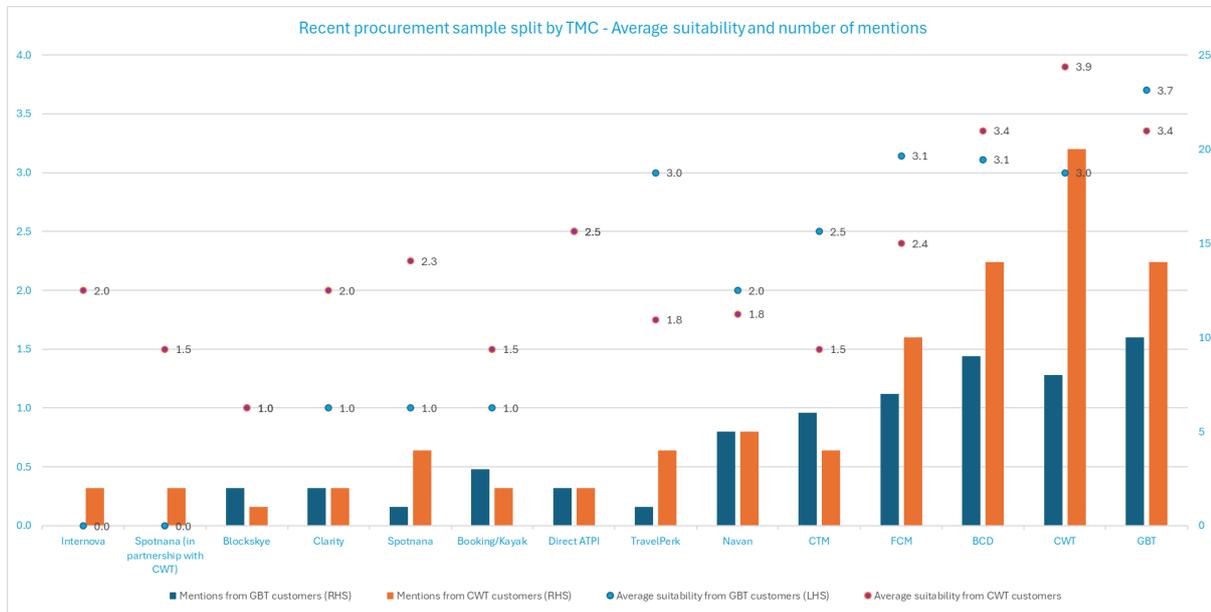
²⁴⁵ See Appendix E, Table E.3.

²⁴⁶ See Appendix E, paragraph E.28.

rating is given, which is the basis for the averages that are presented below are set out at Appendix E, Table E.4.

7.60 Figure 7.2 below summarises the responses, split by customers of GBT and customers of CWT.

Figure 7.2: All respondents procuring since 2022 split by GBT/CWT customers - TMCs average suitability and number of mentions



Source: CMA analysis of third party responses to the CMA's customer questionnaire. Subset of 30 respondents.

7.61 This figure shows the following:

- (a) GBT received an average rating of 3.7 from the 10 GBT customers (between 'suitable' and 'very suitable').²⁴⁷ 9 of these customers considered BCD (average rating of 3.1),²⁴⁸ 8 of these customers considered CWT (average rating of 3.0),²⁴⁹ 7 considered FCM (average rating of 3.1),²⁵⁰ 6 considered CTM (average rating of 2.5),²⁵¹ 5 considered Navan (average rating of 2.0)²⁵² and 1 considered Spotnana (rating of 1.0).²⁵³ As can be seen, each of FCM, CTM and Navan received a higher average rating from this subset of respondents (ie for more recent procurements) than when those whose procurement took place more than two years ago are included.

²⁴⁷ See Appendix E, Table E.5.
²⁴⁸ See Appendix E, Table E.5.
²⁴⁹ See Appendix E, Table E.5.
²⁵⁰ See Appendix E, Table E.5.
²⁵¹ See Appendix E, Table E.5.
²⁵² See Appendix E, Table E.5.
²⁵³ See Appendix E, Table E.5.

- (b) CWT received an average rating of 3.9 from the 20 CWT customers (close to 'very suitable').²⁵⁴ 14 of these customers considered BCD (average rating of 3.4),²⁵⁵ 14 considered GBT (average rating of 3.4),²⁵⁶ 10 considered FCM (average rating of 2.4),²⁵⁷ 4 considered CTM (average rating of 1.5),²⁵⁸ 5 considered Navan (average rating of 1.8)²⁵⁹ and 4 considered Spotnana (average rating of 2.3).²⁶⁰ In contrast to the situation described above, the average ratings given by this subset of respondents is roughly in line with the averages when those whose procurement took place more than two years ago are included.

Changes in suitability if TMC selection was carried out today

- 7.62 We asked customers whether the TMCs they would consider and/or their ratings would be different if they were to consider their options today. 30 out of 90 told us that their views would be different, a similar number said that they would not be different (32) and the remainder (28) did not know.²⁶¹
- 7.63 There were therefore 62 respondents who had a view on who they would consider to be the alternatives to the Parties if a procurement took place today, and 58 provided a list of TMCs they would consider and rated their suitability.²⁶² We compared the results to how these same 58 customers viewed the market in their most recent procurement process.
- 7.64 Figure 7.3 below summarises the responses which show the following:
- (a) Each of the Parties, BCD, FCM and CTM would be considered by a similar number of customers for a procurement today as at the most recent procurements, and their average suitability ratings are largely unchanged.
- (b) Some customers who did not consider Navan and Spotnana during their last procurement told us that they would consider them today (net of 6 in the case of Navan and 8 in the case of Spotnana),²⁶³ and the average suitability ratings across customers is higher, albeit still between 'somewhat suitable' and 'suitable' (up from 1.7 to 2.3 for Navan and up from 1.3 to 2.1 for Spotnana) and below the ratings for the Parties, BCD and FCM. 6 more customers (in net terms) also told us that they would consider the

²⁵⁴ See Appendix E, Table E.6.

²⁵⁵ See Appendix E, Table E.6.

²⁵⁶ See Appendix E, Table E.6.

²⁵⁷ See Appendix E, Table E.6.

²⁵⁸ See Appendix E, Table E.6.

²⁵⁹ See Appendix E, Table E.6.

²⁶⁰ See Appendix E, Table E.6.

²⁶¹ See Appendix E, paragraph E.42.

²⁶² See Appendix E, paragraph E.43.

²⁶³ Net results are presented because some respondents who had not previously considered these TMCs now considered them, while other respondents who had previously considered them did not consider them suitable for a hypothetical procurement today.

Spotnana/CWT partnership, and its average rating is up by 1.1 (from 1.3 to 2.4), although we note that Spotnana would in this partnership not operate as a TMC but as a technology provider.²⁶⁴

- (c) There was no notable change in the number of customers who would consider other TMCs and no additional TMC names put forward.

Figure 7.3: Changes in TMCs average suitability and number of mentions between today and the last procurement



Source: CMA analysis of third party responses to the CMA's customer questionnaire. Subset of 58 respondents.

7.65 We also looked at the results for the 30 respondents who said that the suitability of TMCs would be different in a procurement today relative to their last procurement. 27 of the 30 respondents provided ratings and these results are displayed in Appendix E, Figure E.9. These results are informative about the views of people who think that the market has changed, and therefore provide some insight into the suitability of competitors. However, we note that in considering this evidence customers who had views about their options today but did not have different views compared to their last procurement may have equally valid insight as to the suitability of competitors.

7.66 For the respondents who said that the suitability of TMCs would be different in a procurement today:²⁶⁵

- (a) BCD have the highest average rating at 3.2, and more of the customers would consider them today than they did previously. It is followed by GBT

²⁶⁴ See Appendix E, paragraph E.45.

²⁶⁵ See Appendix E, paragraph A.48.

with an average rating of 3.1 and a similar number of customers considering it.

- (b) FCM have the next highest rating at 3.0, and would be considered by the same number of customers. These customers had at their previous procurement rated FCM 2.9.
- (c) CWT have the next highest rating at 2.9, and a similar number of customers would consider them if conducting a procurement today. However, these customers had previously given them an average rating of 3.3. We note that when considering this group of respondents, the drop in CWT's average score is more pronounced.
- (d) Navan have the next highest rating at 2.8, which is a large increase from the previous average rating that they received from these customers of 1.9. They are also considered by many more customers for a procurement today (13 in a procurement now compared to 7 in previous procurement).
- (e) There are some other TMCs who have high average ratings (eg Blockskye, Spotnana, and Spotnana (in partnership with CWT)), but they are considered by a smaller number of respondents.

Further evidence on TMCs' suitability

7.67 We also examined the qualitative views about each of the TMCs from both the questionnaire responses and the calls that we held with customers. Not all customers who provided ratings provided comments. The detail of the qualitative views we received are set out in more detail in Appendix E, from paragraph E.49.

7.68 As regards GBT, CWT's customers made a number of positive comments about GBT,²⁶⁶ referring to its global coverage (11 comments, out of 23) and its capabilities and similarities to CWT (8 customers).²⁶⁷ Customers also pointed to its competitive pricing (2)²⁶⁸ and good technology (1).²⁶⁹ CWT customers also noted some weaknesses in GBT's offering as reasons for why they did not choose it. These included pricing (4 customers), quality of service (2), and a lack of flexibility (1).²⁷⁰

7.69 As regards CWT:

²⁶⁶ See Appendix E, paragraph E.53.

²⁶⁷ For example, one customer said that it 'is a very valid alternative to CWT', while another customer said that it 'was a close second to CWT and could meet all of our global requirements'. Third party responses to the CMA's customer questionnaire. See Appendix E, paragraph E.53.

²⁶⁸ Third party call notes.

²⁶⁹ Third party call note.

²⁷⁰ See Appendix E, paragraph E.54.

- (a) GBT's customers made a number of positive comments about CWT,²⁷¹ such as its global coverage (12 comments, out of 27), its reputation (2) and its pricing (1).²⁷² One of Navan's customers told us that CWT has a very strong service offering and is one of the best TMCs at process management,²⁷³ while a GBT customer said that CWT had embraced disruptive technology and focusses on customers.²⁷⁴ However, a number of GBT customers noted some weaknesses in CWT's offering and told us they did not choose it because it was more expensive (4),²⁷⁵ had a lesser service (3)²⁷⁶ or was not global enough (2).²⁷⁷
- (b) We have examined the comments made by those customers whose views on CWT changed since the last procurement process:
- (i) Five customers explained why they think CWT is less suitable today (two rated it as a 1 (not suitable),²⁷⁸ two as a 2 (somewhat suitable)²⁷⁹ and one as a 3 (suitable)²⁸⁰). Three of these customers referred to the Merger as the reason for this,²⁸¹ and the other two considered that its investments have reduced since COVID-19²⁸² and that its 'financial problems make it less suitable'.²⁸³
- (ii) Four customers explained why they would consider CWT today or would view it as more suitable than when they last procured, with three of these rating it as a 4 and referring to it as having a worldwide network,²⁸⁴ being 'similar to GBT in terms of size and service'²⁸⁵ and having 'Process efficiencies and advancement in technology space'.²⁸⁶ The other rated it as a 2 and said that it was 'New'.²⁸⁷
- (c) We further note that of those customers who said that their options in a hypothetical procurement today would not be different from those considered in their last procurement, a number nevertheless noted that CWT's service had [✂] since 2019. For example:

²⁷¹ See Appendix E, paragraph E.60.

²⁷² Third party response to the CMA's customer questionnaire.

²⁷³ Third party call note.

²⁷⁴ Third party call note.

²⁷⁵ Third party responses to the CMA's customer questionnaire.

²⁷⁶ Third party response to the CMA's customer questionnaire.

²⁷⁷ Third party responses to the CMA's customer questionnaire.

²⁷⁸ Third party responses to the CMA's customer questionnaire, 23 August 2024, question 10.

²⁷⁹ Third party responses to the CMA's customer questionnaire, 23 August 2024, question 10.

²⁸⁰ Third party response to the CMA's customer questionnaire, 23 August 2024, question 10.

²⁸¹ Third party responses to the CMA's customer questionnaire, 23 August 2024, question 10.

²⁸² Third party response to the CMA's customer questionnaire, 23 August 2024, question 10.

²⁸³ Third party response to the CMA's customer questionnaire, 23 August 2024, question 10.

²⁸⁴ Third party response to the CMA's customer questionnaire, 23 August 2024, question 10.

²⁸⁵ Third party response to the CMA's customer questionnaire, 23 August 2024, question 10.

²⁸⁶ Third party response to the CMA's customer questionnaire, 23 August 2024, question 10.

²⁸⁷ Third party response to the CMA's customer questionnaire, 23 August 2024, question 10.

- (i) One customer, explained that CWT did not score very well during procurement [redacted] due to concerns over their bankruptcy, a cyber incident and their general service level. However, it would still consider CWT in a procurement today.²⁸⁸
 - (ii) One customer said that CWT had weak partners and technology [redacted], and that it has not recovered well since COVID-19. As a result of this, it did not consider CWT when it renewed the contract with GBT in 2023. However, it said that CWT would be invited to future procurements if CWT was financially stable.²⁸⁹
 - (iii) One customer said that due to bankruptcy CWT have lost many agents and clients, and that it would not be considered in a procurement today because it is no longer a true competitor to GBT, but that they would include BCD and FCM. This customer also said that the acquisition of CWT was almost inevitable due to CWTs diminished competitiveness post-COVID-19.²⁹⁰
 - (iv) One customer, [redacted], noted that CWT was not supporting the account in a way that was needed to manage a global programme and did not scale as required, particularly following the end of the pandemic as travel increased. Some employees had raised complaints about the service such as slow response times.²⁹¹
- (d) We also note however that, conversely, some other customers set out reasons why they considered CWT had a strong offering despite its financial difficulties. For example:
- (i) One customer, [redacted] is considering CWT alongside GBT, BCD and FCM, [redacted]. It explained that CWT had embraced disruptive technology in a way that GBT had not and focuses on customers, which differentiates it from GBT (which is more focussed on size).²⁹²
 - (ii) One customer, [redacted], said that it was chosen because of its technology, global reach, flexibility and streamlined approach to data and reporting.²⁹³
 - (iii) One customer, [redacted], said that CWT has a very strong service offering and is one of the best TMCs for process management, and that although it has had some financial difficulties, it still has a strong overall

²⁸⁸ Third party call note.

²⁸⁹ Third party call note.

²⁹⁰ Third party call note.

²⁹¹ Third party call note.

²⁹² Third party call note.

²⁹³ Third party call note.

offering.²⁹⁴ This customer did however say that CWT has not managed to translate the good offering into financial security, which means that the company may fail absent the Merger.²⁹⁵

- (iv) One customer, [X], said that CWT had the best overall offer for a procurement [X] and provides more dedicated staff and a hub model which helps to reduce costs.²⁹⁶ It also noted that it considered CWT's financial position as part of the financial due diligence and did not have any concerns about CWT's ability to meet its needs despite CWT's previous financial difficulties.²⁹⁷
- (v) One customer had heard about concerns with CWT's financial performance and recognised that it is in a weaker position now than it has been previously, but the customer still sees CWT as a global TMC with a bigger scale than other competitors.²⁹⁸

7.70 In relation to other competitors:

- (a) As regards BCD, many customers made a number of positive comments,²⁹⁹ referring to its global coverage (6 customers), its similarity to GBT (2),³⁰⁰ its technology and financials (1),³⁰¹ and its white-glove service offering (2).³⁰² Customers that we held calls with said that BCD had an excellent solution and technology (1),³⁰³ and that it had the highest score across all procurement criteria (1).³⁰⁴ However, other customers noted weaknesses in BCD's offering,³⁰⁵ including that it lacked complete global coverage (4)³⁰⁶ and industry experience (1),³⁰⁷ and that it was more expensive than alternatives (3).³⁰⁸
- (b) As regards FCM, some customers made positive comments,³⁰⁹ saying that it is a large TMC able to serve large global customers (2)³¹⁰ and has advanced technology (1).³¹¹ When considering the options in case of a procurement today, one customer described FCM as a 'rising star' that can take on the

²⁹⁴ Third party call note.

²⁹⁵ Third party call note.

²⁹⁶ Third party call note.

²⁹⁷ Third party call note.

²⁹⁸ Third party call note.

²⁹⁹ See Appendix E, paragraph E.66.

³⁰⁰ Third party responses to the CMA's customer questionnaire.

³⁰¹ Third party response to the CMA's customer questionnaire.

³⁰² Third party call notes.

³⁰³ Third party call note.

³⁰⁴ Third party call note.

³⁰⁵ See Appendix E, paragraph E.68.

³⁰⁶ Third party responses to the CMA's customer questionnaire, and third party call notes.

³⁰⁷ Third party response to the CMA's customer questionnaire.

³⁰⁸ Third party response to the CMA's customer questionnaire, and third party call notes.

³⁰⁹ See Appendix E, paragraph E.72.

³¹⁰ Third party response to the CMA's customer questionnaire and third party call note.

³¹¹ Third party response to the CMA's customer questionnaire.

larger TMCs like GBT,³¹² while another customer told us that FCM had become a global TMC and is now capable of handling a larger programme.³¹³ Other customers were more reserved about FCM,³¹⁴ saying that it is too decentralised (2),³¹⁵ small (1)³¹⁶ or inexperienced (1),³¹⁷ while a few others were negative,³¹⁸ pointing to a lack of global coverage (3),³¹⁹ weaknesses in regions other than APAC (2)³²⁰ and lacking proprietary technology (1).³²¹

- (c) Some customers made some positive comments about CTM,³²² with these comments suggesting that it has adequate infrastructure (1)³²³ or that it can deliver a UK service (1).³²⁴ Other customers noted that CTM lacks global coverage (10), whilst others noted that it has servicing issues (1)³²⁵ and an incomplete reporting platform (1),³²⁶ or is focussed on SMEs (1).³²⁷ Three customers that we held calls with included CTM in their most recent procurement, of which [X] included them in the final three options of a procurement.³²⁸
- (d) Almost all of the customers we have heard from told us that they had not considered Navan to be suitable at their last procurement.³²⁹ One customer told us that it did view Navan as suitable and switched to them from GBT in 2020 mentioning Navan's excellent user experience as the driving factor.³³⁰ Some other customers that told us they did not view Navan as suitable still provided some positive comments about its access to content (1)³³¹ and NDC solution (1).³³² Some more customers were positive about it when considering their options in a procurement today, noting that it has an interesting value proposition (1)³³³ and a focus on end-to-end service (1).³³⁴ However, in general, customers expressed some reservations about Navan's offering, including that it does not have global coverage (4),³³⁵ cannot provide

³¹² See Appendix E, paragraph E.76(b).

³¹³ Third party call note.

³¹⁴ See Appendix E, paragraph E.73.

³¹⁵ Third party responses to the CMA's customer questionnaire.

³¹⁶ Third party response to the CMA's customer questionnaire.

³¹⁷ Third party response to the CMA's customer questionnaire.

³¹⁸ See Appendix E, paragraph E.74.

³¹⁹ Third party responses to the CMA's customer questionnaire and third party call note.

³²⁰ Third party response to the CMA's customer questionnaire and third party call note.

³²¹ Third party call note.

³²² See Appendix E, paragraph E.78.

³²³ Third party response to the CMA's customer questionnaire.

³²⁴ Third party response to the CMA's customer questionnaire.

³²⁵ Third party response to the CMA's customer questionnaire.

³²⁶ Third party response to the CMA's customer questionnaire.

³²⁷ Third party response to the CMA's customer questionnaire.

³²⁸ Third party response to the CMA's questions.

³²⁹ [X] selected Navan as their TMC in their most recent procurement process.

³³⁰ Third party call note.

³³¹ Third party response to the CMA's customer questionnaire.

³³² Third party response to the CMA's customer questionnaire.

³³³ Third party response to the CMA's customer questionnaire.

³³⁴ Third party response to the CMA's customer questionnaire.

³³⁵ Third party responses to the CMA's customer questionnaire and third party call note.

offline support (2)³³⁶ and cannot support high-touch (1),³³⁷ complex (1)³³⁸ or large volume (1)³³⁹ programs.

- (e) Several (4) customers told us that they thought of Spotnana as an OBT rather than a TMC.³⁴⁰ Only one respondent considered Spotnana to be suitable at their last procurement, but this was in partnership with CWT.³⁴¹ We received some positive comments about Spotnana in case of a procurement today, such as being an interesting value proposition (1)³⁴² and providing a new service model (1).³⁴³ However, customers generally expressed reservations about Spotnana's offering, saying that it does not have the necessary global footprint, account management and offline support³⁴⁴, cannot support a global complex organisation,³⁴⁵ has a limited offline service³⁴⁶ and is not suitable even after partnering with Direct Travel (all 1).³⁴⁷
- (f) We received evidence from a customer who switched from GBT to Kayak for Business in 2023. The customer told us that Kayak for Business provided the same services as other TMCs and that it was meeting its needs well.³⁴⁸

Our views on the Parties' submissions on our customer evidence gathering

- 7.71 The Parties submitted that our investigation was based on fundamentally flawed survey evidence, which was restricted to a small sample of the Parties' own customers, and excluded GMNs that have selected other TMCs.³⁴⁹ The Parties also submitted that two-thirds of the 90 respondents have not tested the market in the last two years.³⁵⁰
- 7.72 The Parties submitted that a review they commissioned from [X] identified a series of critical flaws in the design of the CMA's sample of customers and questionnaire.³⁵¹ [X] submitted that we are likely to have included individuals who were not closely involved in the selection of a TMC, that the 'small sample' size

³³⁶ Third party response to the CMA's customer questionnaire and third party call note.

³³⁷ Third party response to the CMA's customer questionnaire.

³³⁸ Third party response to the CMA's customer questionnaire.

³³⁹ Third party response to the CMA's customer questionnaire.

³⁴⁰ Third party call notes and third party response to the CMA's questions.

³⁴¹ Third party response to the CMA's customer questionnaire.

³⁴² Third party response to the CMA's customer questionnaire.

³⁴³ Third party response to the CMA's customer questionnaire.

³⁴⁴ Third party response to the CMA's customer questionnaire.

³⁴⁵ Third party response to the CMA's customer questionnaire.

³⁴⁶ Third party response to the CMA's customer questionnaire.

³⁴⁷ Third party call note.

³⁴⁸ Third party response to the CMA's s109 notice.

³⁴⁹ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 1.9.

³⁵⁰ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 1.10.

³⁵¹ Parties, Annex 5 to the response to the Interim Report, paragraphs 1-3

reduced the statistical power of the survey',³⁵² that the advance letter stating that the CMA found concerns in phase 1 potentially led to bias³⁵³ and that many of the key survey questions and the response options were ambiguous and confusing or leading.³⁵⁴ The Parties submitted that these methodological flaws mean that this customer feedback cannot be relied upon.³⁵⁵

- 7.73 We summarise our views on the Parties' submissions and the points in [REDACTED] report below with further detail set out in Appendix E.
- 7.74 We stress that there are material differences between commissioned statistical sample research surveys, to which our Survey Good Practice recommendations apply, and qualitative evidence gathering. Our RFI exercise was not a statistical sample survey and, as such, is not subject to the same requirements in terms of sample size as a statistical sample survey where survey results are interpreted as representative across the entire population.³⁵⁶ The third party evidence we gathered through RFIs (and calls) has been interpreted qualitatively and, in the context of qualitative evidence, we consider that views from 99 unique customers in the form of RFI responses, emails and calls, many of which were rich and detailed, is a robust basis for understanding the range of customers views on the questions put to them.
- 7.75 As set out in full in Appendix E, we have considered all the submissions that the Parties put to us in relation to (a) our approach to evidence gathering and our choice to gather evidence from only the Parties' customers; (b) the ability of the customers responding to us to provide relevant information; (c) our approach to customer evidence gathering and, (d) what the evidence gathered using our customer questionnaire shows. Where appropriate we have adjusted our interpretation of some pieces of evidence to take into account these submissions from the Parties, but overall we consider that our customer evidence gathering is appropriate for assessing the effects of this merger. In particular, we consider that:
- (a) The evidence provided by the Parties' current customers is the most probative customer evidence to assess whether there is an SLC, and therefore it was correct to focus our evidence gathering on these customers.³⁵⁷

³⁵² Here and elsewhere the technical language of a statistical sample survey – 'sample', 'statistical power', 'response rates', etc – is quoted from the Parties' submissions. As explained later in this Appendix, we do not agree that our customer evidence gathering has the characteristics of a statistical sample survey and we have not used these terms ourselves.

³⁵³ Parties, Annex 5 to the response to the Interim Report, paragraphs 2c and 12-14.

³⁵⁴ Parties, Annex 5 to the response to the Interim Report, paragraphs 2d.

³⁵⁵ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 1.11.

³⁵⁶ Paragraph 1.5 of the Survey Good Practice states that 'qualitative research methods is outside the scope of this guidance'. CMA, [Guidance on good practice in the design and presentation of customer survey evidence in merger cases](#), 23 May 2018.

³⁵⁷ See Appendix E paragraphs E.105-E.107

- (b) The customers that we received evidence from were generally well informed and able to provide information that is highly relevant to the competitive assessment.³⁵⁸
- (c) The questionnaire was designed to gather information from relevant decision-makers through appropriate questions, and the purpose of the questionnaire was explained to respondents in an appropriate way.³⁵⁹
- (d) The evidence provided by the customers that we engaged with has been presented in a balanced way and alongside other sources of evidence.³⁶⁰

Our assessment of the Parties' survey

7.76 The Parties submitted a survey as part of their response to the Interim Report. The Parties submitted that the sample for their survey includes 765 GMN customers, which is more than 12 times larger than the CMA's sample and over 60 times the CMA's sample when focusing only on GMN customers that have recently tested the market.

7.77 Based on the information we have received, we have significant concerns about the survey methodology. In particular:

- (a) The Survey is based on online panels which we typically give limited weight to, given the sample bias that can arise when sample recruitment does not rely on randomisation methods (in this case recruitment relies on financial incentives).³⁶¹ The Parties have provided only very limited information about the panel methodologies, particularly in relation to panel recruitment.
- (b) We have not received a satisfactory explanation of how so many respondents who self-declared to be responsible for the selection of TMCs in their organisations were reached simply by sending out invitations to HR and Finance professionals who had signed up to the online panels used. Of those who opened the survey invitations, around 13% were deemed to fall into this group which we find highly unlikely, especially as it is unclear whether procurement professionals would typically sit within those professional categories. Whilst we do not possess enough information to come to a conclusion as to what may have led to such a high volume of responses (1530 in total and 765 from what the Parties refer to as GMN customers), we consider that it is highly likely that a degree of overclaiming eligibility may have been a factor.

³⁵⁸ See Appendix E, paragraph E.115-E.116.

³⁵⁹ See Appendix E, paragraph E.120.

³⁶⁰ See Appendix E, paragraph E.126.

³⁶¹ CMA, [Guidance on good practice in the design and presentation of customer survey evidence in merger cases](#), 23 May 2018, paragraphs 2.29-2.30.

- (c) Some of the Survey results do not look credible, particularly in relation to the relative importance of different factors when choosing a TMC. In particular, the lack of variation in the importance attributed to 11 choice features is at odds with results one would typically see when posing this type of survey question in a market (for further details, see paragraph E.141 of Appendix E). These results are consistent with respondents being far less knowledgeable about the TMC market, and less responsible for decision-making, than they claim to be in their survey responses. The results are difficult to explain otherwise.
- (d) The main question that asks the respondents about TMCs they considered suitable to their requirements is asked in relation to the last/current procurement process and the TTV value of the contract is unknown. Respondents are categorised as GMN customers based on their response to a question about the total global spend of their organisation – we do not consider that this is sufficient to infer that the most recent contract that the respondent was the decision maker for is of a similar value.³⁶²

7.78 Given our material concerns about the methodology of the Parties' survey, we do not place any evidential weight on the Parties' survey. A more detailed assessment of the Parties' Survey is provided in Appendix E.

Conclusion on customer evidence

7.79 The customer evidence we gathered, set out above, shows that the Parties and BCD are considered close alternatives by the Parties' GMN customers, which is reflected in the large number of GBT and CWT customers who considered the other Party and BCD in their last procurement and their higher average suitability ratings relative to other TMCs. FCM is considered by a material, albeit smaller, number of customers. CTM, Navan and Spotnana, as well as other TMCs, are considered weaker alternatives.

7.80 While these findings broadly hold when we look at the responses of customers that have selected a TMC in the last two years, as well as at the responses of all customers as to how they would view the market if they were to select a TMC today, there are some changes. For example, in the results for customers procuring in the last two years, FCM receives an average rating that is closer to that of the Parties and BCD, while for a procurement taking place today Navan and Spotnana are considered by more customers and receive a higher average rating than they do when customers who procured more than two years ago are also included. The evidence also shows that CWT is rated less well for a

³⁶² This is in contrast to our own RFI question which asked respondents to rate TMCs they considered during the most recent process when the Parties were appointed as their TMC and provide the value of that opportunity.

procurement today than it has been in the past, and this is particularly pronounced when focussing on customers who consider that the market has changed.

- 7.81 Overall, the evidence therefore suggests that customers who consider that the market has changed see TMCs such as FCM, CTM and Navan as being more suitable for recent procurement processes, and CWT as less suitable, than was historically the case.

Competitor evidence

Parties' submissions on competitor evidence

- 7.82 The Parties made a number of submissions in relation to how we characterised the competitive strength of their rivals in our Interim Report. These submissions focussed on:
- (a) The reliability of statements from competitors as to their limitations, or the limitations of other competitors, with the Parties suggesting that competitors may have an incentive to overstate the competitiveness of the Parties or understate their own competitiveness;³⁶³
 - (b) The ability of competitors to win GMN customers, despite any limitations as described by the competitor or other competitors;³⁶⁴ and
 - (c) Evidence from competitor TMCs relating to Spotnana, which the Parties submitted understates its competitive constraint as competitors do not understand its service model.³⁶⁵
- 7.83 These submissions, competitor-by-competitor, are set out in further detail in Appendix F.³⁶⁶

Our assessment of the Parties' submissions

- 7.84 In response to the Parties' submissions, as an overarching point, we note that the competitor evidence as described is consistent with customer (and other) evidence in relation to the extent to which the Parties face a competitive constraint from rivals.
- 7.85 In response to specific comments from the Parties, as summarised above, we note that:

³⁶³ Appendix F, paragraphs F.6, F.9-F.10, F.12-F.13, F.15, and F.18.

³⁶⁴ Appendix F, paragraphs F.6-F.7, F.10, F.12, F.15, F.18.

³⁶⁵ Appendix F, paragraph F.15.

³⁶⁶ Appendix F, paragraphs F.5 to F.19.

- (a) We acknowledge that competitors may have some incentive to overstate the competitiveness of the Parties or understate their own competitiveness. However, when considered in the round, we found competitors' submissions to be valuable in informing our understanding of how differentiated their offering is relative to the Parties' and these submissions were consistent with other sources of evidence.
- (b) We acknowledge that the Parties have provided some examples of competitors (other than BCD) winning GMN customers (for example, FCM winning [REDACTED] Navan winning [REDACTED] and CTM winning the [REDACTED]).³⁶⁷ We have considered this evidence in the round alongside other sources of evidence, in particular the bidding analysis and the analyses of recent trends.
- (c) In relation to Spotnana, the evidence we have gathered is clear that Spotnana relies on other TMCs in order to deliver its service to GMN customers.³⁶⁸ Further, Spotnana has confirmed during the course of our investigation that it has [REDACTED].³⁶⁹

7.86 Our assessment of the evidence follows. In this section we summarise evidence collected from a range of TMCs on the extent of competition between the Parties and rival TMCs active in the supply to GMN customers, the current offering and competitive strength of each TMC and their expansion plans, [REDACTED]. More detail is provided in Appendix F.

Closeness of competition between TMCs

Closeness scores

7.87 In our competitor questionnaires, we asked other TMCs how closely, in their view, GBT and CWT compete with each other and how closely other TMCs (including the respondent itself) compete with each of GBT and CWT for GMN customers.³⁷⁰ We asked the TMCs to assign scores from 1 to 5 to indicate the level of closeness, where 5 was very close, 4 was close, 3 was somewhat close, 2 was not close, 1 was not competing. The results, summarised in table 7.11 below, were as follows:

- (a) Respondents considered that the Parties compete very closely with each other for GMN customers and gave an average score of 4.9.

³⁶⁷ For further details and additional GMN customer examples, see Appendix F, paragraph F.7 for FCM, paragraph F.10 for CTM, and paragraph F.12 for Navan.

³⁶⁸ Appendix F, paragraph F.49.

³⁶⁹ Third party response to RFI.

³⁷⁰ In our competitor questionnaire, we described this group of customers as global multinational customers with complex needs (for example, consistent global coverage, consistently high service levels across all geographies, high levels of personal support or high levels of customisation) and high annual TTV (for example, in excess of \$25 million).

- (b) Although we gave the respondents the option to draw a distinction between how closely each TMC competes with GBT and how closely it competes with CWT, almost all respondents gave identical scores for both Parties and provided identical comments to explain their scores.³⁷¹
- (c) The scores provided indicated that BCD was seen as competing very closely with each of the Parties and as closely as the Parties compete with each other (average score of 4.9).
- (d) FCM was considered on average to be a close competitor to the Parties, though less close than BCD, competing with the Parties somewhere between closely and very closely (4.2).
- (e) CTM (3.6), Navan (3.6) and ATPI (3.3) were considered to be competing between somewhat closely and closely on average.
- (f) The scores and comments indicated that Spotnana was considered a more distant competitor than the TMCs mentioned above and, while on average it competed 'somewhat closely' (3.0), its scores had a high variation, ranging from 1 to 5.
- (g) The average scores of other TMCs (TravelPerk, Internova, Clarity, Booking and Gray Dawes) placed them somewhere in between not competing very closely and not competing at all.

Table 7.11: Competitive strength scores for selected TMCs

<i>Competitor</i> (11 responses)	<i>Average strength vs Parties</i>	<i>Range of competitive strength score (GBT & CWT)</i>
GBT/CWT	4.9	4-5
BCD	4.9	4-5
FCM	4.2	3-5
CTM	3.6	2-5
Navan	3.6	3-5
ATPI	3.3	2-5
Spotnana	3.0	1-5

Source: Third party responses to the CMA's RFI.

Notes: 'GBT/CWT' average strength score indicates how closely competitors considered GBT and CWT compete with one another. Competitors with an average score of less than three have not been included (details of their scores are included above).

Qualitative evidence on individual competitors

GBT and CWT

7.88 Competitors consistently told us that GBT and CWT are very close competitors with similar geographical footprints and significant presence in the GMN customer

³⁷¹ In the very rare instances where competitors scored a TMC's competitive strength against GBT and CWT differently, the lower score is used in the average calculation. In any case, using the higher score results in a negligible increase in average score from 2.4 to 2.5 for Blocksky and from 3.3 to 3.4 for ATPI.

segment. They are seen as strong alternatives to each other and often found in the final round for the same RFP. Together with BCD, some competitors described the Parties as ‘mega TMCs’.³⁷² As shown in Table 7.8, GBT had [REDACTED] GMN customers in 2024, [REDACTED] than the [REDACTED] GMN customers it serviced in 2023 and [REDACTED] than the [REDACTED] it serviced in 2019.³⁷³ In contrast, CWT had [REDACTED] GMN customers in 2024, [REDACTED] than the [REDACTED] GMN customers it serviced in 2023 and [REDACTED] than the [REDACTED] it serviced in 2019.³⁷⁴

7.89 Two competitors acknowledged CWT’s financial challenges and customer retention issues:

- (a) One competitor explained that CWT has been less active in RFPs in the last five years.³⁷⁵ It said that CWT has been focused on client retention following their bankruptcy filing. [REDACTED]. However, it noted that CWT has been a more frequent competitor in the last six months.³⁷⁶ As already set out above, despite this, it told us that GBT and CWT compete closely with BCD, and to a lesser extent with FCM and CTM.³⁷⁷
- (b) One competitor explained that CWT has not acted as a serious competitor to [REDACTED] since announcing the proposed Merger with GBT. It has not seen CWT appearing in tender offers very often recently. It stated that CWT’s financial concerns have made customers hesitant to sign on with CWT and that many customers have chosen to leave CWT after their contract expired.³⁷⁸ However, it also highlighted that it is extremely challenging to compete against GBT and CWT on price due to their scale.³⁷⁹

7.90 In contrast, a travel partner of CWT suggested in response to the Supplementary Interim Report that CWT’s financial position had improved since its bankruptcy and it had become a leaner and more efficient organisation.³⁸⁰

7.91 One competitor noted that CWT and GBT were somewhat differentiated, with CWT having a particular focus on industrial and US government clients whilst GBT leans more towards professional services,³⁸¹ and another competitor indicated that CWT’s lack of proprietary technology adversely affects its competitiveness.³⁸²

³⁷² See Appendix F paragraphs F.37-F.39.

³⁷³ GBT internal document, Annex s109 GBT.Q2.002 to s109 notice dated 16 August 2024 and GBT, response to the CMA’s clarification questions to s109 notice 5, dated 10 December 2024, questions 1 and 2.

³⁷⁴ CWT response to the CMA’s s109 notice 1 dated 16 August 2024, question 2.

³⁷⁵ Third party call note.

³⁷⁶ Third party call note.

³⁷⁷ Third party call note.

³⁷⁸ Third party call note.

³⁷⁹ Third party call note.

³⁸⁰ Third party response to the CMA’s Supplementary Interim Report, 24 February 2025.

³⁸¹ Third party response to the CMA’s RFI and third party call note.

³⁸² Third party call note.

However, both competitors considered CWT to be a strong player despite these issues.³⁸³

- 7.92 One competitor noted that in the absence of CWT it is likely that other competitors would expand to fill the void.³⁸⁴

BCD

- 7.93 BCD told us that it has a similar scope of work and geographical reach to the Parties and that its main competitors in the GMN segment are [REDACTED], whereas it considers that [REDACTED] compete more in the small-to-mid customer segment.³⁸⁵ BCD had [REDACTED] GMN customers in 2024, [REDACTED] than the [REDACTED] GMN customers it serviced in 2023.³⁸⁶ All competitors bar one scored BCD as competing very closely with the Parties (the other competitor stated it competed closely).³⁸⁷

- 7.94 BCD told us that [REDACTED].³⁸⁸

FCM

- 7.95 FCM identified BCD as its main competitor because it considered that they both offer very similar services.³⁸⁹ FCM also told us it competes with GBT, CWT, and occasionally Egencia (part of GBT) and CTM.³⁹⁰ FCM indicated that it competes globally for GMN customers;³⁹¹ however, it indicated that while it has a stronger offering in the APAC region than its competitors, it has less experience with GMNs in North America.³⁹²
- 7.96 FCM had [REDACTED] GMN customers in 2024, [REDACTED] than the [REDACTED] GMN customers it serviced in 2023 and [REDACTED] than the [REDACTED] it serviced in 2019.³⁹³
- 7.97 Most competitors indicated that FCM competes closely or very closely with the Parties for GMN customers.³⁹⁴ One competitor suggested that FCM's primary focus was on the small-to-mid segment,³⁹⁵ and one competitor indicated that it was a second-tier TMC compared to the Parties and BCD.³⁹⁶ However, many

³⁸³ Third party response to the CMA's RFI and third party call note.

³⁸⁴ Third party call note.

³⁸⁵ Third party response to the CMA's RFI and third party call note.

³⁸⁶ See Table 7.8.

³⁸⁷ 10 of 11 respondents (including BCD itself) scored BCD's ability to compete with the Parties at 5 out of 5. [REDACTED] gave a score of 4 out of 5. Third party responses to the CMA's RFI [REDACTED].

³⁸⁸ Third party response to the CMA's RFI.

³⁸⁹ Third party call note.

³⁹⁰ Third party call note.

³⁹¹ Third party response to RFI.

³⁹² Third party call note.

³⁹³ See Table 7.8.

³⁹⁴ 8 of 11 respondents (including FCM itself) scored FCM's ability to compete with the Parties at 4 or 5 out of 5. Third party responses to the CMA's RFI.

³⁹⁵ Third party call note.

³⁹⁶ Third party response to the CMA's RFI.

competitors explicitly acknowledged its ability to compete for GMN customers;³⁹⁷ one competitor described FCM as the fourth largest TMC in the world,³⁹⁸ while another referred to FCM as the fastest-growing global TMC.³⁹⁹ Further, whilst one competitor classified FCM as a second-tier TMC in comparison to the largest players, it still considered FCM to be a close competitor to the Parties.⁴⁰⁰

7.98 FCM told us that it already targets and services GMNs and it currently has no plans to change its existing strategy and service offerings.⁴⁰¹ FCM told us that it has been servicing GMNs for over 20 years⁴⁰² and whilst [REDACTED].⁴⁰³ FCM told us that it is focused on organic growth,⁴⁰⁴ and that, at present, it only expands its global presence when there are customer requirements that necessitate it and its partner network has remained consistent for the past few years.⁴⁰⁵

CTM

7.99 CTM viewed GBT, CWT, FCM, and BCD as its main competitors,⁴⁰⁶ and indicated that its proprietary technology offering could be a point of differentiation from other TMCs.⁴⁰⁷ CTM also emphasised that it remains active across all customer segments and does not automatically exclude customers based on their geographic requirements.⁴⁰⁸ However, CTM acknowledged it was a weaker competitor in [REDACTED]⁴⁰⁹ and that it had occasionally withdrawn from RFP processes when it realised that the client's needs or company culture would not be a good fit for its capabilities.⁴¹⁰

7.100 CTM had [REDACTED] GMN customers in 2024, [REDACTED] than the [REDACTED] GMN customers it serviced in 2023 and [REDACTED] than the [REDACTED] it serviced in 2019.⁴¹¹

7.101 A majority of competitors, though slightly fewer than for FCM, scored the closeness of competition between the Parties and CTM as close or very close.⁴¹² One competitor submitted that CTM has a global footprint⁴¹³ and another competitor added that CTM is comparable in size to GBT and CWT in certain

³⁹⁷ Third party response to RFI; and third party call note.

³⁹⁸ Third party response to RFI.

³⁹⁹ Third party response to RFI.

⁴⁰⁰ Third party response to RFI.

⁴⁰¹ Third party response to the CMA's RFI.

⁴⁰² Third party response to the CMA's RFI.

⁴⁰³ Third party call note.

⁴⁰⁴ Third party response to the CMA's RFI.

⁴⁰⁵ Third party response to the CMA's RFI.

⁴⁰⁶ Third party call note.

⁴⁰⁷ Third party call note.

⁴⁰⁸ Third party call note.

⁴⁰⁹ Third party call note.

⁴¹⁰ Third party call note.

⁴¹¹ See Table 7.8.

⁴¹² 8 of 11 respondents (including FCM itself) scored FCM's ability to compete with the Parties at 4 or 5 out of 5, where 4 was competing 'closely' and 5 was 'very closely'. Third party responses to the CMA's RFI 1 dated 28 August 2024; and third party responses to the CMA's RFI 1 dated 28 August 2024. Similarly, 7 of 11 respondents (including CTM itself) scored CTM a 4 or 5. Third party responses to the CMA's RFI 1 dated 28 August 2024.

⁴¹³ Third party response to RFI.

markets, while a third acknowledged that CTM has strengths in some geographic markets.⁴¹⁴ However, some competitors considered it to be a weaker competitor for GMN customers⁴¹⁵ and to the Parties⁴¹⁶ due to its more limited geographical scope⁴¹⁷ and its focus on the small-to-mid segment.⁴¹⁸ Berg-Hansen, a travel partner of CWT, submitted in response to the Supplementary Interim Report that the future performance of CTM is uncertain.⁴¹⁹

7.102 CTM submitted that it remains active in developing its value proposition to support GMN clients.⁴²⁰ CTM told us that it will consider [REDACTED].⁴²¹

Navan

7.103 Navan told us that it serves SMEs and GMNs in Europe and the US and its acquisition of Reed & Mackay in 2021 helps with servicing clients with more complex needs.⁴²² Although it views itself as the strongest competitor to GBT and CWT after BCD, [REDACTED].⁴²³ While it is open to acquiring GMNs, it evaluates each opportunity to assess economic viability and strategic fit⁴²⁴ and it gave examples of GMN customer contracts it chose not to bid for recently.⁴²⁵ Navan had [REDACTED] GMN customers in 2024, [REDACTED] than the [REDACTED] GMN customers it serviced in 2023 and [REDACTED] than the [REDACTED] it serviced in 2019.⁴²⁶ It told us that GMNs often have specific and varied requirements, [REDACTED] ⁴²⁷ [REDACTED].⁴²⁸ Navan [REDACTED] it told us that this does not limit its ability to serve different customer segments.⁴²⁹ It also told us it is at the forefront of NDC booking technology, which it views as a differentiator in the market.⁴³⁰

7.104 All competitors considered that Navan competes at least somewhat closely with the Parties for GMN customers.⁴³¹ Some competitors considered that Navan lacks the capacity to service customers with fully global needs⁴³² as it lacks geographical scope,⁴³³ and that its reliance on its partner network limits its ability to compete for GMNs outside of North America and the UK.⁴³⁴ It was seen by

⁴¹⁴ Third party responses to the CMA's RFI.

⁴¹⁵ Third party response to the CMA's RFI.

⁴¹⁶ Third party call note.

⁴¹⁷ Third party response to the CMA's RFI.

⁴¹⁸ Third party call notes and third party response to the CMA's RFI.

⁴¹⁹ [Berg-Hansen response to the CMA's Supplementary Interim Report](#), 25 February 2025.

⁴²⁰ Third party response to the CMA's RFI.

⁴²¹ Third party response to the CMA's RFI.

⁴²² Third party call note.

⁴²³ Third party call note.

⁴²⁴ Third party call note.

⁴²⁵ Third party call note.

⁴²⁶ See Table 7.8.

⁴²⁷ Third party call note.

⁴²⁸ Third party call note.

⁴²⁹ Third party call note.

⁴³⁰ Third party call note.

⁴³¹ 11 out of 11 (including Navan itself) scored Navan's ability to compete with the Parties at a 3, 4 or 5 out of 5, where 3 was competing 'somewhat closely', 4 was 'closely' and 5 was 'very closely'. Third party responses to the CMA's RFI 1 dated 28 August 2024. Third party responses to the CMA's RFI.

⁴³² Third party call note.

⁴³³ Third party call note, and third party response to the CMA's RFI

⁴³⁴ Third party call note.

some as being active in the small to mid-segment for customers with less complicated travel programmes⁴³⁵ and more of a future threat rather than an immediate competitor.⁴³⁶ One competitor pointed to Navan’s (and Spotnana’s) inability to integrate with customers’ existing OBT as a weakness.⁴³⁷ Berg-Hansen, a travel partner of CWT, submitted in response to the Supplementary Interim Report that the future performance of Navan is uncertain.⁴³⁸

7.105 Navan told us that [REDACTED]⁴³⁹ [REDACTED].⁴⁴⁰ It added that [REDACTED].⁴⁴¹ It told us that [REDACTED].⁴⁴²

Spotnana

7.106 Spotnana told us it operates a ‘Travel-as-a-service’ platform⁴⁴³ [REDACTED].⁴⁴⁴ [REDACTED].⁴⁴⁵ [REDACTED].⁴⁴⁶ [REDACTED].⁴⁴⁷ [REDACTED].^{448,449}

7.107 One competitor viewed Spotnana’s offering as different from its own and lacking the underlying support infrastructure of a more fully-fledged TMC.⁴⁵⁰ Competitors viewed Spotnana as a technology company rather than a TMC able to compete in the GMN segment,⁴⁵¹ with one expressing uncertainty about its future strategy.⁴⁵² One competitor noted that the recent acquisition of Direct Travel by one of Spotnana’s investors may enable Spotnana to offer some TMC services independently of other TMC partnerships.⁴⁵³

7.108 Spotnana told us that [REDACTED]⁴⁵⁴ [REDACTED].⁴⁵⁵ [REDACTED],⁴⁵⁶ [REDACTED].⁴⁵⁷ [REDACTED].⁴⁵⁸ [REDACTED].⁴⁵⁹ [REDACTED].⁴⁶⁰

⁴³⁵ Third party call note.

⁴³⁶ Third party call note.

⁴³⁷ Third party call note.

⁴³⁸ [Berg-Hansen response to the CMA’s Supplementary Interim Report](#), 25 February 2025.

⁴³⁹ Third party response to the CMA’s RFI.

⁴⁴⁰ Third party call note.

⁴⁴¹ Third party response to the CMA’s RFI.

⁴⁴² Third party call note.

⁴⁴³ Third party call note.

⁴⁴⁴ Third party response to the CMA’s RFI.

⁴⁴⁵ Third party response to RFI.

⁴⁴⁶ Third party response to RFI and third party call note.

⁴⁴⁷ Third party call note.

⁴⁴⁸ Third party call note.

⁴⁴⁹ Third party call note.

⁴⁵⁰ Third party call note.

⁴⁵¹ Third party call notes.

⁴⁵² Third party call note.

⁴⁵³ Third party call note.

⁴⁵⁴ Third party call note.

⁴⁵⁵ Third party response to the CMA’s RFI.

⁴⁵⁶ Third party call note.

⁴⁵⁷ Third party response to the CMA’s RFI.

⁴⁵⁸ Third party response to RFI.

⁴⁵⁹ Third party response to RFI.

⁴⁶⁰ Third party response to RFI.

Other competitors

7.109 Competitor evidence suggested that ATP, TravelPerk and Booking, as well as other smaller players are primarily competing for SME and mid-market clients or in niche segments.⁴⁶¹ A TMC who operates an extensive partner network, submitted that it and other TMCs who rely on partnerships are able to compete for GMN customers.⁴⁶²

Conclusion on competitor evidence

- 7.110 All competitors bar one scored BCD as competing very closely with the Parties (the other competitor stated it competed closely). The Parties and BCD received similar scores in terms of closeness of competition and similar comments on their strengths, highlighting overlap in their target customers, geographic reach and service offering. However, a number of competitors raised CWT's financial challenges and customer retention issues and noted that these have made some customers hesitant to sign on with CWT.
- 7.111 A majority of competitors scored the closeness of competition between the Parties and FCM as close or very close, and slightly fewer competitors scored the closeness of competition between the Parties and CTM as close or very close.⁴⁶³ Whilst rated by fewer competitors as competing closely or very closely to the Parties, Navan was nevertheless identified as competing at least somewhat closely with the Parties for GMN customers.⁴⁶⁴
- 7.112 Some competitors indicated that FCM, as the fourth largest TMC globally, competes regularly with the Parties in global RFPs and has been successful in establishing a GMN customer base. Similarly, some competitors indicated that CTM could compete with the Parties in certain markets or specific segments of GMN customers that fit particularly well with its offer. Evidence from FCM indicated that they are more focussed on the lower end of the GMN customers' spend, whilst evidence from CTM indicated that they are active across all customer segments. Whilst a similar number of competitors rated FCM and CTM as competing closely or very closely with the Parties, the commentary around CTM's capabilities was less consistent compared to FCM.
- 7.113 Some competitors noted that Navan may be on a growth trajectory with the potential to disrupt the market in the future. [REDACTED] some competitors indicated that

⁴⁶¹ Appendix F, paragraphs F.50 to F.52.

⁴⁶² Third Party submission to the CMA.

⁴⁶³ 8 of 11 respondents (including FCM itself) scored FCM's ability to compete with the Parties at 4 or 5 out of 5, where 4 was competing 'closely' and 5 was 'very closely'. Third party responses to the CMA's RFI and third party responses to the CMA's RFI. Similarly, 7 of 11 respondents (including CTM itself) scored CTM a 4 or 5. Third party responses to the CMA's RFI.

⁴⁶⁴ 11 out of 11 (including Navan itself) scored Navan's ability to compete with the Parties at a 3, 4 or 5 out of 5, where 3 was competing 'somewhat closely', 4 was 'closely' and 5 was 'very closely'. Third party responses to the CMA's RFI.

Navan, like CTM, is focussed on specific segments of GMN customers that fits particularly well with its offer.

- 7.114 Almost all competitors who gave their view on Spotnana, [REDACTED], indicated that it provides tech services to customers by partnering with TMCs rather than directly competing for GMN customers and would face significant challenges if competing as a standalone TMC. Evidence from competitors suggested that the remaining competitors were viewed as primarily competing for mid-market and SME customers or in niche segments.
- 7.115 In relation to expansion plans, [REDACTED] confirmed they were going to continue to seek GMN customers opportunities that fit with their capabilities. In relation to Spotnana, we have not seen evidence that Spotnana's strategy will materially change.

Parties' internal documents

- 7.116 We set out below a summary of the key findings from our review of GBT and CWT's internal documents, insofar as they are relevant to the competitive assessment. Our full analysis of the Parties' internal documents is set out at Appendix D.
- 7.117 Each Party's internal documents distinguish between 'global' TMCs; regional or national TMCs; and tech-led entrants.
- 7.118 GBT, CWT, and BCD, are consistently referred to as global TMCs. While some documents draw a distinction between these three TMCs and other suppliers, other documents include FCM, CTM, and/or Navan within the category of global TMCs.
- 7.119 GBT's documents contain critical comments regarding CWT's competitive offering, and highlight [REDACTED] and concerns about [REDACTED]. [REDACTED]. We have identified an example where GBT revised an offer in response to a competing offer from CWT.
- 7.120 CWT's documents refer to GBT as a close competitor, and as CWT's '[REDACTED]'. [REDACTED].⁴⁶⁵
- 7.121 Each Party's documents consistently refer to BCD as a strong competitor: for example, GBT identifies BCD as its '[REDACTED]'. [REDACTED].⁴⁶⁶
- 7.122 Each Party's internal documents refer to FCM as a competitor for GMN customers, with an attractive [REDACTED] offering; however, they also refer to FCM's perceived limitations, including its [REDACTED].

⁴⁶⁵ CWT internal document.

⁴⁶⁶ GBT internal document.

- 7.123 Similarly, each Party's internal documents refer to CTM as a global TMC with [REDACTED] growth potential, yet also refer to CTM's [REDACTED] geographical presence.
- 7.124 Each Party's internal documents acknowledge the challenges faced by tech-led entrants when attempting to operate on a global scale. Some recent documents indicate that both GBT and CWT consider that tech-led entrants are continuing to scale and are building in momentum. For instance, one CWT internal document, which includes a [REDACTED], refers to Navan as either '[REDACTED]' or '[REDACTED]' in all categories measured, including being [REDACTED] in '[REDACTED]' and '[REDACTED]'.⁴⁶⁷ Whilst both Parties' internal documents refer to Navan as a 'disruptor' with a strong [REDACTED] offering, other documents are critical of its technology and global capabilities. CWT's internal documents largely refer to Spotnana in the context of its [REDACTED].

Implications of CWT's financial position for its competitive strength

- 7.125 CWT told us that as a result of its [REDACTED], it is a '[REDACTED]'.⁴⁶⁸ In this section, we assess CWT's recent financial performance and set out the evidence on its competitive position, in order to reach a view on its competitive strength.

Evidence on CWT's recent financial performance

- 7.126 Appendix G sets out details of the Parties' submissions and our assessment of CWT's financial position.
- 7.127 We consider that CWT's financial position suffered [REDACTED] deterioration due to the COVID-19 pandemic: CWT's revenues in 2020 decreased by [REDACTED] from 2019 levels, it had [REDACTED] adjusted EBITDA, and its debts increased from [REDACTED]. The decrease in TTV, transaction sales and total revenue, and high debts contributed to its pre-packed bankruptcy in November 2021.
- 7.128 Since emerging from its pre-packed bankruptcy, the extent to which CWT has regained TTV and profitability has [REDACTED], CWT's [REDACTED] forecast for the financial year 2024 (prepared before the Merger announcement) continued to paint a mixed picture: on the one hand its forecast revenues and capital expenditure for 2024 would be [REDACTED] than in 2023 [REDACTED]; on the other its forecast adjusted EBITDA would be [REDACTED] in 2024 than 2023 and that CWT was expected to [REDACTED].⁴⁶⁹
- 7.129 We also understand that CWT's shareholders have been supporting it through [REDACTED], and we recognise that CWT has been facing challenges [REDACTED] since 2019.

⁴⁶⁷ CWT internal document.

⁴⁶⁸ CWT submission to the CMA, 4 October 2024, paragraph 5.

⁴⁶⁹ CWT internal document.

7.130 The cumulative effect of CWT's financial difficulties appears to have had an [REDACTED], as reflected below. As a result, CWT potentially faces a trajectory of [REDACTED], resulting in [REDACTED] which will [REDACTED].

Evidence on CWT's recent competitive position

- 7.131 Given the Parties' submissions around CWT's [REDACTED] competitive position (see paragraphs G.7 and G.10 in Appendix G), we bring together some of the evidence on CWT already set out above that is relevant in assessing the Parties' submissions on this topic.
- 7.132 The evidence suggests that while CWT continues to compete for GMN customers it is a [REDACTED] than it was prior to 2019:
- (a) According to GBT's tender data, CWT was the incumbent in [REDACTED] tenders with GMN customers during the 2021-2023 period and won [REDACTED] of them, worth \$[REDACTED] billion TTV.⁴⁷⁰ This suggests that CWT was unsuccessful in more than half of the tenders in which it competed with GBT and was the incumbent.
 - (b) The evidence suggests that the number of new GMN customers CWT competes for and wins is [REDACTED]. CWT has identified to the CMA just [REDACTED] new GMN customers with TTV above \$25 million that it has won since 2021 ([REDACTED]).⁴⁷¹ In addition, according to GBT's tender data, CWT has won [REDACTED] customers with TTV above \$25 million who had previously split their business between CWT and GBT ([REDACTED]).⁴⁷²
 - (c) We considered how far CWT is likely to have acted as a constraining force on GBT even in tenders it does not win, and we have obtained specific evidence of GBT revising its offer in response to CWT in respect of one tender.⁴⁷³ In any event we consider that CWT's declining position means that it is less likely to provide such a constraint in future, and we have therefore weighed this evidence accordingly.
- 7.133 The Parties' internal documents [REDACTED]. CWT internal documents from 2023/2024 demonstrate that the company has [REDACTED].⁴⁷⁴ [REDACTED] reflected in some GBT documents.⁴⁷⁵ This negative view [REDACTED].⁴⁷⁶ There is also some evidence within CWT's internal assessments/projections that the firm is experiencing [REDACTED].⁴⁷⁷ For

⁴⁷⁰ Based on a version of GBT's tender data that was checked against with CWT's bidding data and customer list. GBT response to the CMA's RFI 3 dated 11 September 2024, question 9.

⁴⁷¹ CWT response to the CMA's s109 notice 1 dated 16 August 2024, question 2; and Parties, Annex 2 to the response to the Interim Report, 27 November 2024, paragraph 8.

⁴⁷² Based on a version of GBT's tender data that was checked against with CWT's bidding data and customer list. GBT response to the CMA's RFI 3 dated 11 September 2024, question 9.

⁴⁷³ As set out in Appendix D to the Interim Report, paragraphs D.52 and D.53, [REDACTED]. GBT internal document.

⁴⁷⁴ CWT internal document.

⁴⁷⁵ GBT internal document; and GBT internal document.

⁴⁷⁶ CWT internal document.

⁴⁷⁷ CWT internal document; and CWT internal document.

example, a [REDACTED] reflects positively on [REDACTED].⁴⁷⁸ Similarly a [REDACTED].⁴⁷⁹ This is consistent with another CWT internal document which refers to CWT's sales performance as '[REDACTED]'.⁴⁸⁰ Despite the apparent optimism in some of CWT's internal documents, we note that, as set out above, CWT's number of customers and TTV served have continued to decline.

Conclusion on the implications of CWT's financial position on its competitive strength

- 7.134 We consider that the evidence shows that CWT's financial performance is weak and is likely to further weaken in the future.
- 7.135 We consider that CWT's financial difficulties during and following the COVID-19 pandemic have had an adverse impact on [REDACTED]. While it remains a competitor to GBT, it is a weakened one. By contrast, BCD has remained a strong competitor, FCM provides a material constraint, and CTM and Navan appear to be on a substantially growing trajectory (albeit from a low base) and on that basis are expected to exert increased competitive constraints in the future.
- 7.136 Although CWT was considered and rated highly by the Parties' customers, including those who tendered in the last two years, the evidence shows that CWT is rated less well for a procurement today than it has been in the past, and this is particularly pronounced when focussing on customers who consider that the market has changed. Further, there were mixed views on CWT's current ability to service GMN customers. In particular, some customers raised concerns about CWT's ability to cater to their requirements as a result of its financial difficulties.
- 7.137 As noted in our conclusions on bidding data and recent trends, overall, we consider that the bidding data shows that BCD and GBT are the two strongest competitors in the market, by far, and are substantially stronger than CWT. Further, our analysis of recent trends in the number and associated TTV of GMN customers and new GMN customer acquisitions shows that overall CWT has been losing more TTV and GMN customers than it has won.
- 7.138 Accordingly, we consider that while CWT remains a competitor to GBT, it is a materially weakened competitor and it is likely to continue to further weaken in the future.

⁴⁷⁸ CWT internal document.

⁴⁷⁹ CWT internal document.

⁴⁸⁰ CWT internal document.

Impact of technological change on the competitive landscape

- 7.139 The Parties submitted that customers are increasingly using digital solutions and have reduced needs for in-person support⁴⁸¹ and that this is fuelling the rapid growth of tech-led TMCs.⁴⁸² We have already assessed the evidence on tech-led entrants such as Navan and Spotnana and their ability to compete with the Parties for GMN customers. To supplement that analysis, we have also looked at the evidence on technological trends more generally and the relevance of this to competition between TMCs.
- 7.140 Some customers noted that technology is an important aspect of the TMCs' offer⁴⁸³ and that Navan and Spotnana are leading the way in this regard,⁴⁸⁴ with TMC's technological capabilities varying⁴⁸⁵ and GBT's technology at the more superior end.⁴⁸⁶ Better user experience,⁴⁸⁷ greater price transparency,⁴⁸⁸ and a seamless global experience⁴⁸⁹ were listed as the benefits. One customer who recently selected Kayak for Business also told us that it requires state-of-the-art technology and that it made the switch because its employees wanted to be able to connect directly to the service providers.⁴⁹⁰
- 7.141 Customers also highlighted the continued importance of the other aspects of a TMC's service, alongside the technological solutions, and that entrants like Navan and Spotnana did not provide⁴⁹¹ and needed to build these aspects.⁴⁹² Some customers saw innovation being limited to the OBT rather than the TMC service aspect of booking travel and noted this will always be required⁴⁹³, with the TMC service needed regardless of technological progress.⁴⁹⁴
- 7.142 Competitors have recognised technological changes in the market, with Navan and Spotnana driving forward innovation⁴⁹⁵ that enables employees to book travel in a different way to those offered by traditional TMCs.⁴⁹⁶ One competitor also acknowledged the need for TMCs to innovate to remain competitive in response to these changes.⁴⁹⁷ Another competitor told us that over the next five to ten years there would be significant changes in the industry⁴⁹⁸ and that technology could

⁴⁸¹ [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraph 2.4(n).

⁴⁸² [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraph 6.1.

⁴⁸³ Third party call note.

⁴⁸⁴ Third party call notes.

⁴⁸⁵ Third party call note.

⁴⁸⁶ Third party call note.

⁴⁸⁷ Third party call note.

⁴⁸⁸ Third party call note.

⁴⁸⁹ Third party call note.

⁴⁹⁰ Third party, response to the CMA's draft s109 notice.

⁴⁹¹ Third party call note.

⁴⁹² Third party call note.

⁴⁹³ Third party call note.

⁴⁹⁴ Third party call note.

⁴⁹⁵ Third party call note.

⁴⁹⁶ Third party call note.

⁴⁹⁷ Third party call note.

⁴⁹⁸ Third party call note.

remove the need for a centralised service with personnel in regional offices.⁴⁹⁹ It told us that while large TMCs like GBT are equipped to adapt to these changes, adaptation could be more challenging for lower-resource TMCs who may instead need to partner with third party technology providers.⁵⁰⁰

- 7.143 Competitors also stressed the importance of the full TMC service despite these changes, given the complexity of some customers' travel programmes,⁵⁰¹ and the need to ensure the safety and security of travellers⁵⁰² and track travellers globally,⁵⁰³ and pointed out tech-led entrants' limited ability to provide a high-touch service.⁵⁰⁴

Conclusion on technological change

- 7.144 We acknowledge the ongoing technological innovation in this market, and have noted above that Navan has been consistently increasing the number of customers and associated TTV that it supports. Similarly, we recognise that [REDACTED]. While some third parties recognised technological changes in the market, such as digital solutions reducing the need for agents to book travel, they also highlighted the continued importance of in-person support, alongside technological solutions, to meet GMN customer needs. The offering of some tech-led entrants is therefore considered, by some third parties, to be complementary to traditional TMC's services. Nevertheless, although overall we have not seen evidence indicating that technology could substitute a comprehensive BTA offering by a TMC, or that tech-led competitors are likely to become material standalone competitors in the next two years, we consider that for a small group of GMN customers they may present viable solutions either independently or in partnership with others.

Use of multiple TMCs

- 7.145 As summarised in Appendix A, the Parties submitted that 'multi-sourcing' (ie using more than one TMC) is [REDACTED] among GMN customers and will provide an additional constraint on GBT post-Merger.⁵⁰⁵ In particular, the Parties refer to evidence of customers wanting to increase the number of TMCs they use, as well as specific customer examples from GBT's data.⁵⁰⁶ They also note that customers' preferences on the number of TMCs to use can change⁵⁰⁷ and that the

⁴⁹⁹ Third party call note.

⁵⁰⁰ Third party call note.

⁵⁰¹ Third party call note.

⁵⁰² Third party call note.

⁵⁰³ Third party call notes.

⁵⁰⁴ Third party call note. However, it also stated that Navan had recently made acquisitions to improve their high-touch service offering but was still significantly weaker on global implementation than their competitors.

⁵⁰⁵ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 6.1. Parties' Main Party Hearing slides, 5 December 2024, page 35. See Appendix A for further explanation of the Parties' submissions.

⁵⁰⁶ Parties submission to the CMA 'Questions and concerns raised at and after the Main Party Hearing', 20 December 2024, paragraph 62.

⁵⁰⁷ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 6.1.b.iv.

investigation shows that GMN customers do not give up consistency of global coverage or service when multi-sourcing.⁵⁰⁸

- 7.146 As set out in the Merger Assessment Guidelines, the concern under horizontal unilateral effects essentially relates to the elimination of a competitive constraint by removing an alternative that customers could switch to, and the CMA's main consideration is whether there are sufficient remaining good alternatives to constrain the Merged Entity post-merger.⁵⁰⁹
- 7.147 We therefore consider that what the Parties refer to as 'multi-sourcing' is relevant to our competitive assessment to the extent that it is a good alternative for GMN customers to switch to (instead of using one of the Parties). In other words, the important question for the competitive assessment is not whether there exist some organisations who have more than \$25 million worth of TTV spend and who globally appoint different TMCs for different regions or countries or use local suppliers in some individual countries (or use a different TMC for a select group of their employees) but whether the Parties' GMN customers who have consolidated their spend with one or few TMCs (to the extent that their TTV spend with one TMC amounts to more than \$25 million annually) would switch to channelling that spend through more TMCs in response to an increase in price or a reduction in service quality by the Merged Entity, thus exerting a competitive constraint on the Merged Entity. In order to assess the possible constraint exerted by the possibility of 'multi-sourcing' on the Parties,⁵¹⁰ we have considered whether the Parties' GMN customers already see it as a good alternative.
- 7.148 We asked the Parties to provide examples of their GMN customers switching to using more TMC suppliers. The Parties provided [REDACTED] examples, [REDACTED] examples of GBT customers and [REDACTED] of CWT customers.⁵¹¹
- 7.149 In [REDACTED] of these examples ([REDACTED]), the firm is using a local TMC, mostly in [REDACTED], to manage their TTV in those countries due to local preferences, in addition to using GBT or CWT for the [REDACTED] of their spend elsewhere.⁵¹² Of these [REDACTED], [REDACTED] firms ([REDACTED] and [REDACTED]) also have spend of less than \$[REDACTED] million TTV with their primary TMC.⁵¹³ A further one switched only their [REDACTED] to another TMC ([REDACTED]).⁵¹⁴

⁵⁰⁸ [Parties' response to the Interim Report](#), 27 November 2024, paragraph 6.1.

⁵⁰⁹ [CMA129](#), paragraphs 4.3.

⁵¹⁰ Parties' submission to the CMA 'Submission on Competition from Many Other TMCs', 20 December 2024, paragraph 2.2.

⁵¹¹ Parties' response to the CMA's RFI 3 dated 9 December 2024, paragraphs 12.1 to 12.4.

⁵¹² The Parties submitted that [REDACTED] uses [REDACTED] business but did not provide the split of TTV in each of those countries beyond that the total amounts to \$[REDACTED] in the whole [REDACTED] region.

⁵¹³ [REDACTED] had \$[REDACTED] TTV with GBT in 2023, with an estimated regional TMC spend in [REDACTED] of less than \$[REDACTED]. [REDACTED] had TTV of \$[REDACTED] with GBT in 2023 and approximately \$[REDACTED] TTV with [REDACTED]. Parties' response to the CMA's RFI 3 dated 9 December 2024, table 9.

⁵¹⁴ Parties, response to RFI 3 dated 9 December 2024, table 9.

- 7.150 The Parties submitted that in [X] announced that it would be ending its consolidated travel programme with GBT to instead use [X] to manage \$[X] of its \$[X] programme.⁵¹⁵
- 7.151 The Parties also submitted that another customer, [X].⁵¹⁶ We note that customer list data shows that this customer began using FCM alongside GBT in late 2020 before FCM won a contract for its global business in 2024.⁵¹⁷ While this customer may currently use multiple TMCs, based on the evidence available to us, it appears they are now transitioning to FCM as a sole provider.
- 7.152 The Parties submitted that [X], which has been globally consolidated with CWT, [X], making this a true multi-homing business.⁵¹⁸ In response to our phase 1 questionnaire, [X].⁵¹⁹ [X].⁵²⁰ [X].
- 7.153 Finally, the Parties submitted that [X] switched in 2020 from using GBT globally to splitting its spend between [X] (c. \$[X] TTV) and GBT in [X] (c. \$[X] TTV).⁵²¹
- 7.154 Of the examples provided above, we consider that only two ([X] and [X], albeit its TTV is below \$25 million) constitute examples of firms switching a material part of their consolidated spend to multiple TMCs. Given the number of GMN customers the Parties have, we do not consider that two examples are sufficient to indicate that ‘multi-sourcing’ is a significant constraint on the Parties when competing for GMN customers or that it would be post-Merger.
- 7.155 In relation to the examples discussed above where a GMN has switched to a local supplier in an individual country to meet specific local requirements whilst maintaining consolidated spend elsewhere or purchases a service for only a subset of travellers (such as VIP travellers) we do not consider that these provide evidence of a material competitive constraint on the Parties for their global or multi-regional contracts. The Parties have not explained why this would be the case and we have found no evidence of, for example, the Parties offering to reduce prices or improve service for the whole contract in response to the abovementioned customers threatening to switch to a local supplier in India and China.
- 7.156 Where an organisation appears to be in a state of gradual transition of their consolidated spend to another TMC, this may reduce barriers to switching and allow the organisation to test a new supplier while retaining the incumbent supplier

⁵¹⁵ Parties, response to RFI 3 dated 9 December 2024, table 9.

⁵¹⁶ Parties, response to RFI 3 dated 9 December 2024, table 9.

⁵¹⁷ Third party internal document, Annex to s109 notice; and GBT internal document, Annex s109 GBT.Q2.002 to s109 notice dated 16 August 2024. We note that GBT’s contract with [X] does not expire until 2025 and so there is likely to be some continued overlap until then.

⁵¹⁸ Parties, response to RFI 3, dated 9 December 2024, table 10.

⁵¹⁹ [X] clarified that this means providing a broad range of local airline options or payment facilities that meet local legal requirements. Third party response to the CMA’s customer questionnaire.

⁵²⁰ Third party response to the CMA’s customer questionnaire.

⁵²¹ Parties, response to RFI 3 dated 9 December 2024, paragraph 12.2.

(and potentially extract better terms from both). However we note that where the organisation ultimately switched to a single TMC and multi-sourcing was only temporary it indicates a preference to retain consolidated spend. Again, we have not found evidence that such scenarios occur frequently, or that they are a material competitive constraint on the parties. Further, the ultimate change of TMC should be picked up in our bidding analysis where the individual contracts have a value of over \$25 million of annual TTV – we consider this to be sufficient for assessing this competitive constraint. This is because (as already set out above) we have found no evidence of the Parties offering to reduce prices or improve service for their larger contracts in response to another TMC being awarded a small contract or switching large volumes of TTV gradually through a series of small contracts.

- 7.157 Further, customer and competitor evidence shows that GMN customers generally prefer to limit the number of TMCs that they appoint and that they often appoint a single TMC globally.
- 7.158 The Parties' customers told us that they may use multiple TMCs but most have one main TMC and appoint TMCs on a global basis. In particular:⁵²²
- (a) Half of the respondents to our customer questionnaire (45) use a single TMC to manage their business travel. Whilst the remaining half use more than one TMC, most respondents (72 out of 90) have a global TMC, which in some circumstances (12 out of these 72) is appointed alongside other regional or country level TMCs. For most respondents at least 70% of their TTV sits with one single TMC (see Figure E.1 in Appendix E).
 - (a) When asked why they used multiple TMCs, six out of 44 respondents who provided a reason suggested that it was a strategic decision to maintain the ability to switch.⁵²³ However, the majority cited other reasons: 23 respondents mentioned local preferences,⁵²⁴ six mentioned the impact of acquisitions,⁵²⁵ and seven mentioned the provision of special services.⁵²⁶
- 7.159 The majority of respondents either want to continue using a single/global TMC or consolidate further. The majority of respondents said that they want to continue with their current number of TMCs (49 out of 90). The vast majority of these 49 respondents (44) already appoint a TMC globally and most (30) already have only one TMC. In addition, a relatively large number of respondents (21 out of 90) said they want to consolidate and use fewer TMCs. Therefore 65 either plan to

⁵²² We asked the Parties customers whether they appoint TMCs on a global, regional, and/or country basis (Q3), whether they use any other TMCs in addition to the Parties, and their plans regarding the number of TMCs over the next two to three years (Q7a). Further details are set out in Appendix E.

⁵²³ See Appendix E, paragraph E.14.

⁵²⁴ See Appendix E, paragraph E.14.

⁵²⁵ See Appendix E, paragraph E.14.

⁵²⁶ See Appendix E, paragraph E.14.

consolidate or already appoint a global TMC and want to continue with this arrangement. By contrast, only five out of 90 respondents indicated that they want to increase the number of TMCs that they use.⁵²⁷

- 7.160 The reasons respondents gave for wanting to consolidate included simplifying and standardising TMC usage, as well as achieving efficiencies, an improved user experience and an enhanced programme.⁵²⁸ The five respondents who indicated that they wanted to increase the number of TMCs suggested that this would be to support benchmarking and switching. Explanations given by these customers included that it allows for flexibility where the incumbent does not meet their needs and that lets them ‘review pricing and services with travel partners’.⁵²⁹
- 7.161 Customers gave a number of reasons for their preferences to use fewer TMCs. One customer said that using regional firms would mean losing control over the programme⁵³⁰ and another said that regional TMCs cannot comply with their procurement processes.⁵³¹ Other customers pointed to efficiency,⁵³² consistency,⁵³³ simplicity,⁵³⁴ and easier management of relationships with flight and accommodation providers⁵³⁵ as the reasons for preferring a single TMC. One customer specifically told us that there are no meaningful advantages to appointing more than one TMC,⁵³⁶ while some others who do currently use multiple TMCs told us they would prefer to have fewer TMCs rather than more.⁵³⁷
- 7.162 Many competitors suggested it was uncommon for GMN customers to use multiple TMCs⁵³⁸ and that some customers are unwilling to do this.⁵³⁹ Competitors identified several main reasons why GMNs prefer using a single TMC globally. In particular:⁵⁴⁰
- (a) GMN customers do not want to internally reconcile data from multiple providers⁵⁴¹ and so they prefer to use a single global TMC offering a single source of data,⁵⁴² a consistent global travel experience that complies with their duty of care policies,⁵⁴³ and simplifies data collection and analysis.⁵⁴⁴

⁵²⁷ The remaining respondents (15) did not know what they would do regarding the number of TMCs that they use.

⁵²⁸ See Appendix E paragraph E.17(b).

⁵²⁹ See Appendix E, paragraph E.17(d).

⁵³⁰ Third party call note.

⁵³¹ Third party call note.

⁵³² Third party response to the CMA's questions; and third party call note.

⁵³³ Third party response to the CMA's questions; and third party call note.

⁵³⁴ Third party call notes.

⁵³⁵ Third party call note.

⁵³⁶ Third party call note.

⁵³⁷ Third party call notes.

⁵³⁸ Third party call notes.

⁵³⁹ Third party call note.

⁵⁴⁰ Further details are set out in Appendix F, paragraphs F.30 to F.32.

⁵⁴¹ Third party call note.

⁵⁴² Third party call note.

⁵⁴³ Third party call note.

⁵⁴⁴ Third party call note.

- (b) A few competitors indicated that, in limited circumstances, some GMN customers may benefit from appointing multiple TMCs. Reasons included where the GMN customer has very bespoke requirements,⁵⁴⁵ a decentralised approach to TMC selection or legacy relationships with a TMC.⁵⁴⁶
- (c) Several competitors suggested that there has been a trend towards consolidation in recent years.⁵⁴⁷ One competitor explained that it could not recall any examples of customers switching back to multiple TMCs after choosing to consolidate.⁵⁴⁸

7.163 The recognition of a trend towards consolidation is also consistent with the (limited) documentary evidence relating to the use of multiple providers. The available evidence within the Parties' internal documents indicates that [REDACTED]. [REDACTED].^{549,550}

Conclusions on using multiple TMCs

7.164 In order for 'multi-sourcing' to be considered a competitive constraint, we have sought evidence of customers actively considering splitting their TTV spend and consistent examples of switching to multiple TMCs. We have asked both Parties and other TMCs to provide examples of where GMN customers switched to using more TMCs and, as explained above, we have found little evidence of this taking place and the vast majority of the examples provided to not be relevant to the assessment. As explained above, the mere existence of customers who split their TTV between TMCs is not relevant to the assessment in the absence of evidence that customers who have consolidated their spend are willing and able to switch to that model.

7.165 Further, based on the customer and competitor evidence set out above, we consider that the Parties' GMN customers have a strong preference to use as few TMCs as possible, and many prefer to appoint a single TMC globally. There is a trend toward consolidation and customers do not tend to switch back to having several TMCs. While a small number of customers indicated that the reasons for having more than one TMC included easier comparison of service and switching, in most instances it was to support a specific geography or for legacy reasons. We therefore do not consider that evidence supports the Parties' arguments that multisourcing is a credible alternative for customers who have consolidated spend or that they would switch to multisourcing in response to a small but significant price increase.

⁵⁴⁵ Third party call note.

⁵⁴⁶ Third party response to the CMA's RFI.

⁵⁴⁷ Third party call notes.

⁵⁴⁸ Third party call note.

⁵⁴⁹ CWT internal documents.

⁵⁵⁰ CWT internal document.

Suitability of unmanaged travel

- 7.166 As noted in Chapter 5, the Parties submitted that in-house travel management and unmanaged travel (also described in this section as unmanaged travel) are an alternative to managed travel provided by a TMC. We next consider the extent to which unmanaged travel acts as a constraint on managed travel provided by a TMC for GMN customers.
- 7.167 The evidence gathered during the phase 1 investigation indicated that GMN customers were unlikely to consider an unmanaged approach to business travel – either where employees booked their own travel or where travel is wholly managed in-house – as an alternative to using a TMC to manage their business travel.⁵⁵¹ Due to the strength and consistency of this evidence we did limited further testing of this with customers in calls, and did not ask a question specifically about it in the RFI.
- 7.168 Despite this, there were a small number of customers (3) who mentioned unmanaged travel or in-house provision in their questionnaire response. One respondent told us that for their last procurement in 2020 they considered managing travel internally through a ‘corporate travel department’ as an alternative to using a TMC, saying that it ‘could work’ but that it was also ‘more costly’ and had an ‘increased risk potential’.⁵⁵² Another respondent said that they had switched to GBT from an in-house provider,⁵⁵³ and another has used an in-house TMC alongside GBT for supporting colleagues in HQ companies for decades.⁵⁵⁴ None of these see wholly unmanaged travel or in-house provision as a suitable alternative to using a TMC, and no other respondent mentioned this possibility.
- 7.169 The same view against unmanaged travel was confirmed in calls with customers, who said that having a TMC was essential to be able to comply with duty of care regulations,⁵⁵⁵ contain the costs of business travel⁵⁵⁶ and enforce a travel policy.⁵⁵⁷ Another customer explained that it needs a TMC to be able to quickly respond to a disruption, and that even though some high-status travellers may manage travel directly with a supplier, these bookings will still be integrated into the TMC and count as a transaction managed by the TMC.⁵⁵⁸ A final customer explained that it does do some tasks in-house, like arranging visas, but that it generally wants an end-to-end TMC which provides a strong technology offering and sufficient data reporting to meet duty of care requirements.⁵⁵⁹

⁵⁵¹ CMA, [Phase 1 Decision](#), 30 July 2024, paragraph 56.

⁵⁵² See Appendix E, paragraph E.12.

⁵⁵³ See Appendix E, paragraph E.12.

⁵⁵⁴ See Appendix E, paragraph E.12.

⁵⁵⁵ Third party call note.

⁵⁵⁶ Third party call note.

⁵⁵⁷ Third party call note.

⁵⁵⁸ Third party call note.

⁵⁵⁹ Third party call note.

7.170 Appendix C demonstrates that in both GBT and CWT's bidding data in-house won less than 5% of both TTV and number of opportunities for both GBT and CWT.

Conclusions on using unmanaged travel

7.171 Given the above, we do not consider that unmanaged travel (or in-house provision) acts as an out-of-market constraint on the supply of BTA services to GMN customers.

Barriers to entry and expansion

7.172 This section examines barriers to entry within the TMC sector including the Parties' arguments regarding the ease of entry and expansion. In our assessment, we make references to the expectations and requirements that GMN customers typically have for TMCs and the perspectives of competitors on the challenges of entering and gaining scale.

Parties' submissions

- 7.173 As summarised in Appendix A, the Parties submitted that barriers to entry and expansion for servicing GMNs are insignificant and this is evidenced by numerous new entrants winning contracts for global customers with complex needs:
- (a) Newer, tech-led entrants Navan, Kayak/Blocksky/Gant Travel and Spotnana are already winning customers with global and complex needs.⁵⁶⁰
 - (b) Global networks do not represent a barrier to entry. Entrants can rely on readily available third party networks or secure global coverage through partnership.⁵⁶¹
 - (c) Switching costs do not represent a barrier to entry. Customers face [✂] switching costs.⁵⁶²
 - (d) Digitalisation has significantly reduced personnel costs and personnel hiring and costs do not represent barriers to entry. TMCs often win GMN customers and [✂].⁵⁶³
 - (e) Regulatory requirements are also not a barrier to entry.⁵⁶⁴

⁵⁶⁰ [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraphs 3.4(iii) and 7.3.

⁵⁶¹ [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraphs 7.4-7.5.

⁵⁶² [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraph 7.10.

⁵⁶³ [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraphs 7.17 and 7.21.

⁵⁶⁴ [Parties' response to the Phase 1 Decision](#), 23 August 2024, paragraph 7.22.

Our assessment

- 7.174 Barriers to entry and expansion include barriers to customer switching, initial set-up costs, reputation and track record, brand loyalty and incumbency advantages, as well as regulations. Further, GMN customers require consistent global coverage which can be difficult for TMCs to provide. Other barriers to entry and expansion identified by competitors include achieving the scale required to service GMNs, adapting to local regulations, and providing the ‘high touch’ services required by GMN customers, as well as integrating with specific booking tools. Full details of these barriers are described in Appendix F.
- 7.175 Nevertheless, as noted in paragraphs 7.43 and 7.44, the evidence we have gathered indicates that competitors such as FCM, CTM and Navan have been consistently increasing the number of customers and associated TTV that they support over the last few years. This indicates that these TMCs are able to overcome the barriers set out above.
- 7.176 In addition, we note that the customers that we engaged with were well-informed and engage with TMCs both during and between RFP processes (see Appendix E, paragraphs E.115 and E.116). We have seen evidence which indicates that these customers are, in some instances, able to support smaller TMCs to grow and expand. For example, one large customer was able to support [redacted] in developing a solution that fitted with their needs, which is now available to other businesses for use.⁵⁶⁵ This further indicates that some competitors are able to overcome the barriers set out above.
- 7.177 [redacted] noted that in the absence of CWT it is likely that other competitors would expand to fill the void.⁵⁶⁶

Conclusion

- 7.178 First, we consider that CWT’s financial difficulties during and following the COVID-19 pandemic have had a material adverse impact on [redacted]. CWT’s financial performance remains weak and is likely to continue to further weaken in the future.
- 7.179 We consider that BCD and GBT are both substantially stronger than CWT and that overall CWT has been losing more GMN customers and the associated TTV than it has won. In addition, our analysis shows that CWT has acquired [redacted] fewer new GMN customers than any of the other TMCs included in our analysis (such as FCM, CTM and Navan).

⁵⁶⁵ Third party response to the CMA’s s109 notice.

⁵⁶⁶ Third party call note.

- 7.180 We therefore consider that while CWT remains a competitor to GBT, it is a materially weakened competitor and it is likely to continue to further weaken in the future.
- 7.181 Second, for the reasons set out, we consider that BCD is a close competitor to the Parties and, as such, would remain a strong constraint post Merger.
- 7.182 Third, we consider that FCM, though smaller than the Parties, is a material competitive constraint.
- 7.183 In addition we consider that our analysis of recent trends in the number and associated TTV of GMN customers, together with our analysis of new GMN customer acquisitions shows that CTM and Navan (as well as FCM) have been consistently and substantially increasing the number of GMN customers and associated TTV that they support (ableit from a low base) and as these businesses continue to grow we expect they will exert increased competitive constraints in the future.
- 7.184 A majority of competitors who offered their views on the closeness of competition between the Parties and various rival TMCs indicated that FCM, and to a slightly lesser extent CTM, compete closely or very closely with the Parties for GMN customers. Whilst generally seen by competitors as being less close, Navan was nevertheless identified as competing at least somewhat closely with the Parties for GMN customers. FCM and CTM have been active in the GMN segment for many years, and plan to continue to pursue this strategy.
- 7.185 Over half of the customers that we spoke to included FCM in their most recent tender exercise. Customers also told us that if they were considering a hypothetical procurement today, they would, on average, rate FCM higher than in their last procurement.
- 7.186 Further with regard to Navan, our analysis suggests that, despite being a relatively new entrant, Navan is actively competing in a number of tenders, and has been consistently increasing the number of customers and associated TTV that it supports. We also note that some competitors considered that Navan could be on a growth trajectory.
- 7.187 Having considered the evidence in the round, the Inquiry Group has concluded that the Merger may not be expected to result in an SLC in the supply of BTA services to GMN customers.⁵⁶⁷

⁵⁶⁷ Two members of the Inquiry Group took a different view on whether the merger might be expected to result in an SLC.

8. CONCLUSIONS

- 8.1 As a result of our assessment, and based on the evidence that is set out above and in the appendices to this Interim Report, we have concluded that:
- (a) the anticipated acquisition of CWT by GBT, if carried into effect, will result in the creation of an RMS; and
 - (b) the creation of that RMS would not give rise to an SLC as a result of horizontal unilateral effects in the global market for the supply of BTA services to GMN customers.
- 8.2 On that basis, the CMA's decision is that the Merger may not be expected to result in an SLC within any market in the UK.⁵⁶⁸

⁵⁶⁸ Two members of the Inquiry Group concluded that the Merger may not be expected to result in an SLC, while two members of the Inquiry Group took a different view. When considering this statutory question, unless a two-thirds majority of the Inquiry Group finds in favour of an SLC we must conclude that no SLC arises from the Merger.