



Your 2026 margin fortification playbook

How leading travel CFOs protect
margins in an age of volatility



In collaboration with the **Airwallex travel community**

On the
GoTours

Secret Food Tours

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PACK

TRANSFORMA
TRAVEL GROUP

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Field notes from finance leaders on currency, payments, and operations

With EBITDA lagging behind volume, travel margins are under pressure. We interviewed leaders at Flash Pack, Secret Food Tours, and Golf Traveller to unpick the forces threatening 2026 margins and how to neutralise them.



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Introduction

The global travel industry entered 2026 in robust health, now accounting for roughly **one in every US\$10 spent worldwide**. Yet, a dangerous gap remains between top-line momentum and bottom-line reality.

The volume boom (2025)

↑ \$1.67 Trillion: Gross bookings (Phocuswright)

↑ \$2.1 Trillion: Record international visitor spending

+4%: Growth in international arrivals

The margin squeeze

-15%: Industry EBITDA vs. Pre-pandemic levels

5-10%: Typical tour operator net margin

>5%: FX fluctuation risk in volatile months

The reality: When net margins run between 5-10%, a currency fluctuation of just a few percentage points can evaporate profit before a finance team even notices.

Field notes from the Airwallex travel community

To understand how to protect these margins, we looked beyond the headlines. This playbook draws on deep-dive conversations with finance leaders at five travel companies within the Airwallex travel community who are operating distinct models.

Oliver Lee
Flash Pack



Darren Behan
Golf Traveller



Tannah Matus
Secret Food Tours



Jamie Tran Rico Pisa
Transforma Travel Group



Adam Mitchell
On The Go Tours



- **Flash Pack:** High-value adventure trips for solo travellers with booking windows of 90 to 120 days.
- **Golf Traveller:** Curators of luxury golf travel experiences targeting clients looking for best-in-class event management, hosting and curation of tailored never-to-be-forgotten experiences.
- **Secret Food Tours:** Experiential walking tours across more than 100 cities with 700 guides and a 35-40 day average booking window.
- **Transforma Travel Group:** Manages multiple brands serving everyone from 10-person backpacker trips to school groups of 150 students.
- **On the Go Tours:** Adventure travel with a global customer base and booking windows that stretch up to six months.

The structural shift

We also consulted Jonathan Wall, Partner and Head of Travel at Xeinadin, one of the UK and Ireland's leading professional services firms and a specialist travel industry accountant. He advises hundreds of operators, and frames the current crisis as a historical shift: the era of "free margin" is over.

"Some 25 years ago, no tour operator ever made money from travel," Wall explains. "They made money from bank interest, from FX, and from insurance commissions." Today, low interest rates and tighter regulations have stripped those ancillary streams away. Modern operators must generate profit entirely from the core activity itself.

Darren Behan, CFO at Golf Traveller, embodies this shift. Coming from an investment management background, he treats travel finance with the same rigour as real estate fund management. "At the high end, you aren't just selling a trip; you are selling a door-to-door concierge service requiring seamless delivery and hosting," Behan says. "The tailoring of high end golf experiences where per person spend could be in excess of \$20,000, the margin for error is non-existent because the customer expects absolute perfection."

The internal threat

Oliver Lee, CFO of Flash Pack (read the [Flash Pack use case](#)), confirms that the external environment has changed, too. He notes that consumers have grown accustomed to uncertainty; political volatility that once triggered immediate booking dips no longer produces the same panic.

Since demand is resilient, the real threat to 2026 margins is internal. It comes from three quiet, compounding pressures that accumulate in the gap between collecting funds and paying suppliers:

- Volatility: The gap between booking and payout exposes companies to currency movements that quietly erode margins.
- Friction: Fragmented payment systems slow down supplier payouts, damage relationships, and consume finance team hours.
- Stagnation: Working capital sitting idle represents a missed opportunity, particularly in the current interest rate environment.

Their approaches differ, but their insights converge on a central theme: protecting margins is about building financial infrastructure that absorbs shocks rather than amplifies them.

Part II : The gap

The booking-to-payout gap: where margins leak

The defining characteristic of travel finance is the delay between revenue collection and cost payment.

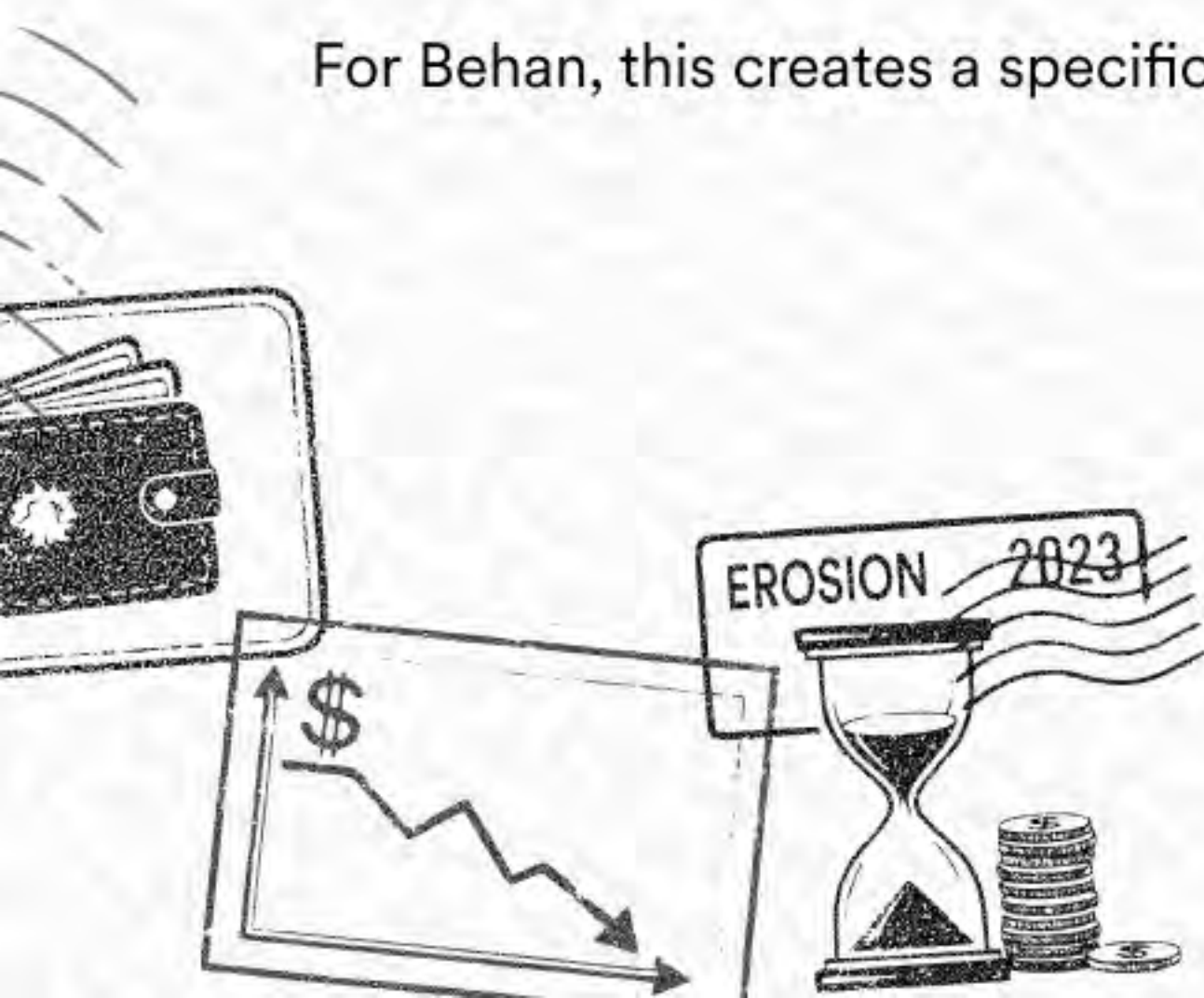
A customer books a trip in July for January. The deposit is received immediately, but supplier payments don't occur for weeks or months. In that window, currencies move, costs shift, and margins erode in ways that remain invisible until month-end reconciliation.

The length of this gap varies dramatically by business model. Secret Food Tours averages 35-40 days. Flash Pack solo adventure travellers typically book 90 to 120 days ahead. On the Go Tours faces a six-month average lead time, creating a four-month window of exposure on unpaid customer balances.

Darren Behan highlights that for event-based luxury travel, the gap is even more strategic. "We make strategic working capital decisions around professional golf's flagship tournaments, securing accommodation and course access up to two years in advance.

"That early commitment protects both our event curation opportunities and our gross margin. We typically take substantial deposits upfront, with lead times to event delivery ranging from two to 18 months. That dynamic demands robust cash flow forecasting and disciplined liquidity management – because timing mismatches can quietly erode control," he says.

For Behan, this creates a specific type of internal friction:





“The presentation of margin data internally to our team from event curation to event execution can be difficult without acknowledging that **the FX impact needs consideration in the original pricing of our events to avoid margin creep.**”

Darren Behan, CFO

golfttraveller

The consequences of ignoring this gap can be severe.

Oliver Lee recalls September 2022, when the UK government's mini-budget sent the pound crashing. Flash Pack was holding everything in sterling. "Prime Minister Liz Truss basically crashes the pound in the space of about 48 hours, takes it from about 1.2 to the dollar down to 1.05," Lee recalls. "It dented our margin: we lost hundreds of thousands of pounds in the space of a quarter." At the time, the loss was material, and it fundamentally changed how Lee thinks about currency management.

Tannah Matus, CFO of Secret Food Tours (read the [Secret Food Tours use case](#)), frames the discipline differently.

His team plans cash flow around predictable obligations like corporation tax, building GBP reserves in advance rather than converting at whatever spot rate prevails when payment is due.

“That type of planning from a cash flow perspective **does impact not gross margin but net margin** at the end of the day.”

Tannah Matus, CFO

 *Secret Food Tours*

The message across all four companies is consistent: the booking-to-payout gap isn't a passive period to be endured but an active risk to be managed through planning rather than prediction.

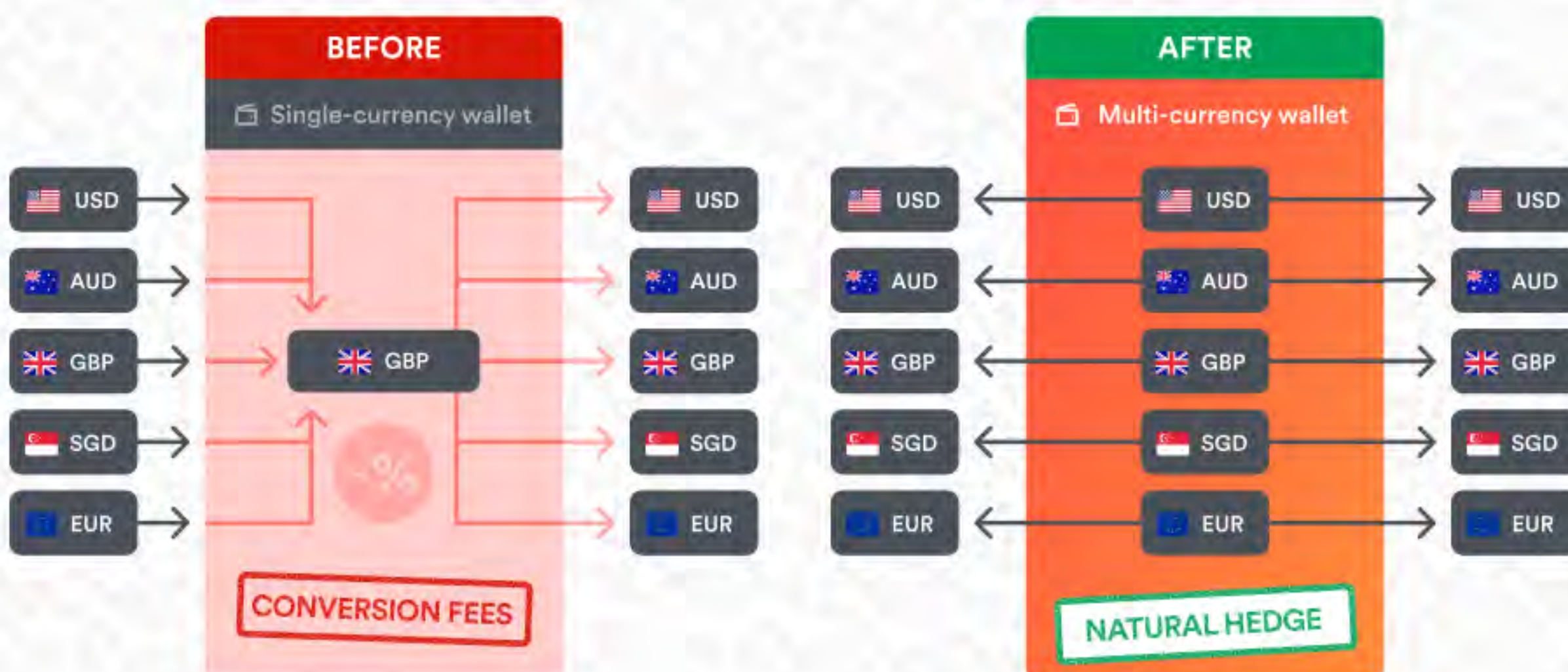
Part III : Currency

Currency strategy: matching flows, not forecasting markets

Industry guidance suggests that tour operators should build in a 5-8% buffer to protect against currency fluctuations.

But the finance leaders interviewed for this playbook take a more structural approach: rather than padding prices and hoping for the best, they focus on aligning currency inflows with outflows.

Flash Pack's method is the clearest example. Over half their revenue arrives in US dollars, and Lee estimates that at least 60% of supplier costs are also denominated in dollars, even when those suppliers are based in Thailand or elsewhere. "We have a natural hedge where the USD is just going for the USD, and we're pretty protected on that," he explains. The remaining exposure, perhaps 20 to 25% in currencies such as the South African rand or Japanese yen, is managed primarily through pricing adjustments rather than by holding those currencies.



This philosophy explicitly rejects more complex instruments.



“ We don't have any kind of exotic forward contracts, which a lot of people do. I've seen those go totally wrong. **I just don't think the average CFO, no matter what they tell you, can say they're a currency predictor.** ”

Oliver Lee, CFO

FLASH PACK

He invokes an airline as a model. The airline hedges its fuel costs one or two years in advance, knowing it will sometimes win and sometimes lose. "They don't do it necessarily trying to beat the market," Lee says. "They do it for certainty." At Flash Pack's scale, with a finance team of five people and no dedicated treasury function, the simplicity of natural hedging outweighs the theoretical benefits of sophisticated approaches.

Not every company can rely solely on natural hedging.

On the Go Tours operates with multiple currencies; while some have a high degree of natural hedge, others carry significant FX exposure. Adam Mitchell, Financial Controller at On the Go Tours, notes that while hedging provides protection against adverse variations, the hedge can end up "out of the money" if FX moves in their favour. This illustrates the core trade-off: the goal is providing certainty, not chasing speculative gains.

Behan highlights that for high-AOV models like Golf Traveller, the absolute value of these fluctuations is the primary concern.

“ **On a high-volume, low-margin luxury booking, a 1% movement is material. Our core business operates across five to six currencies, so we maintain sufficient reserves in each at key points in the payment cycle to meet supplier runs and operational commitments without disruption.** ”

Darren Behan, CFO

golft Traveller

He also highlights the complexity of cross-currency corridors: "It's common for a client to pay in U.S. dollars while supplier costs sit in a different currency, such as New Zealand dollars. We have to map those trips into our annual budget assumptions to ensure currency movements don't quietly erode the margin we worked hard to win."

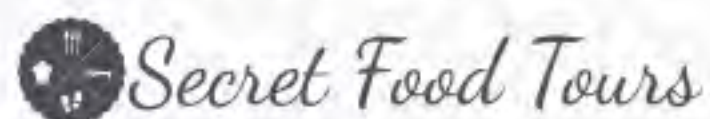


Transforma Travel Group takes a different approach: buffer pricing combined with tactical conversion. Jamie Tran Rico Pisa, Head of Finance, explains that they add a buffer to the sale price, typically 2-3%, for stable currency pairs like UK to Japan. For currencies expected to depreciate consistently, such as the Vietnamese dong, they convert on the day of payment rather than buying in bulk in advance.

Secret Food Tours uses forward contracts through an external provider, but Matus frames the goal identically to Lee's airline example:

The driver for us is to always focus on trying to reduce the peaks and the troughs as much as we can. We don't think about political events and policies. We think about what is coming down the road and how we can reduce its impact on the business. It's not about making money from it. It's not about losing money from it. It's simply about reducing the impact.

Tannah Matus, CFO



There's also a human dimension that spreadsheets don't capture.

Matus points to guides in countries where currencies are pegged to the US dollar. When local currencies weaken against that peg, guides effectively take a pay cut even though the dollar amount stays the same. "We'll have to reduce margin to pay the guides equitably," he explains. "They know what rate they can get elsewhere, what competitors are doing within the market. We don't want to be seen to pay the lowest because you'll lose guides."

Part IV: Friction

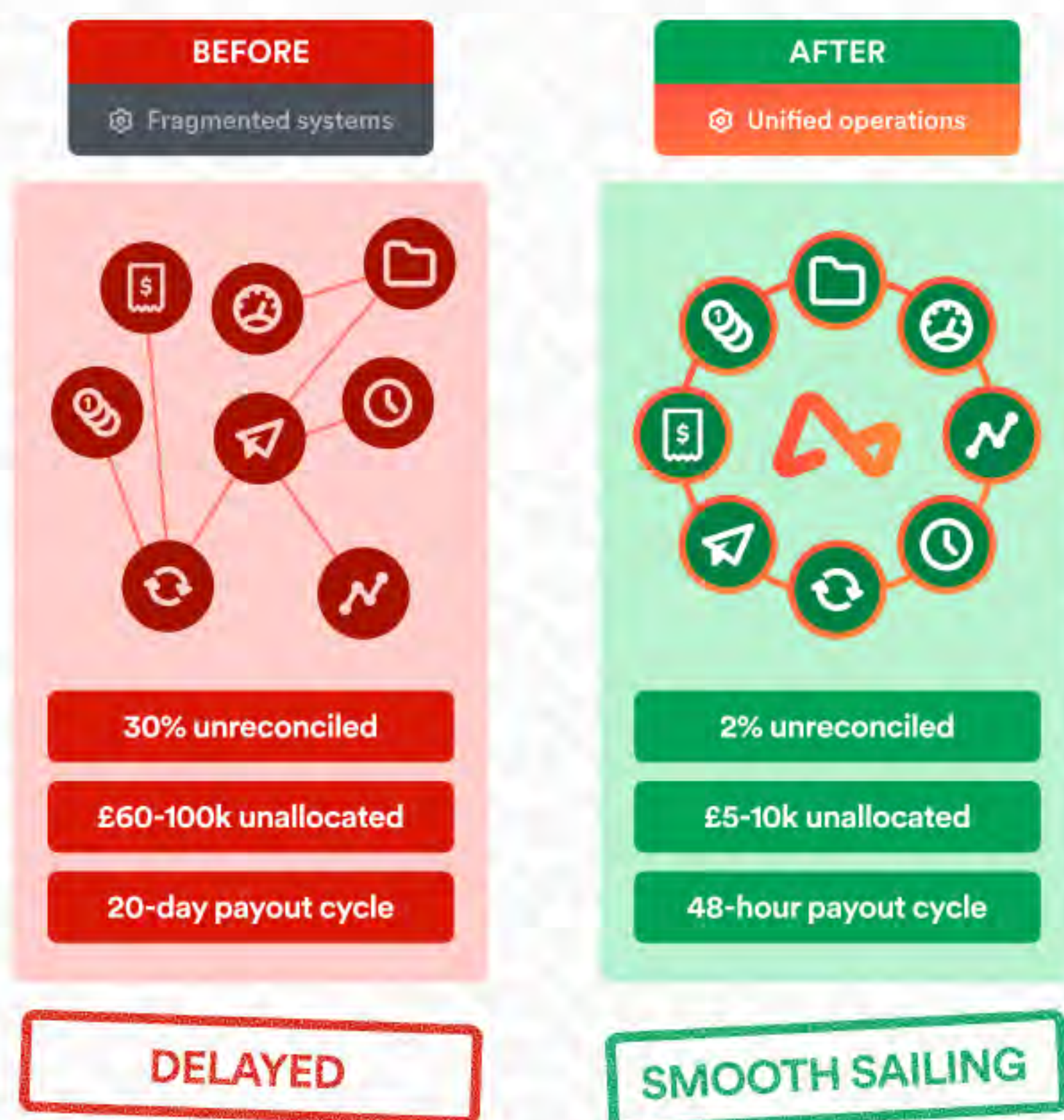
The hidden cost of fragmented, disparate systems

Currency volatility attracts overt concern, but back office operational friction often does more cumulative damage.

Every manual reconciliation, every delayed payment, every duplicated system creates drag that compounds over time; in an industry where net margins run single digits, that drag matters.

The numbers from Secret Food Tours illustrate the scale of the possible improvement.

Before consolidating their financial operations, Matus estimates that unallocated cash, money moving through the business without clear attribution, ran between £60,000 and £100,000 at any given time. Post-consolidation, that's dropped to a maximum of £5,000 to £10,000 on a bad month. Unreconciled transactions sat at 20-30%; now they're down to 2%. Guide payments that once took 10 to 20 days now complete within 48 hours after closing month's end.





That speed matters for relationships, not just efficiency.

Most guides aren't earning six-figure salaries. Typically, they're actors or students treating this as part-time work. For them, being out of pocket for weeks creates real hardship. "For that money to come tangibly, for them not to be out of pocket for long, is a big thing," Matus says. When guides compare notes, their reputations spread. Being known as the company that pays promptly becomes a competitive advantage in recruiting talent.

Darren Behan identifies a different type of friction: Expense Chaos. Delivering exceptional client experiences around flagship events in the US requires deploying teams from both the UK and US to manage every detail on the ground. Naturally, that brings significant travel and operational spend.

As the business scaled, our expense infrastructure needed tightening to avoid fragmented oversight, diluted accountability, and an increasing drain on finance team time just to keep visibility. Protecting margin isn't about cutting experience – it's about control. Clear approval limits, defined ownership, and real-time spend tracking are non-negotiable. Without them, expenses don't just rise – they disappear into the noise.

Darren Behan, CFO

golftraveller

The legacy banking world doesn't help.

Tran Rico Pisa from Transforma Travel Group describes SWIFT transfers from UAE customers that occasionally vanish into the correspondent banking chain, requiring days of chasing for confirmation.

Likewise, cultural expectations can add another layer of complexity.



Tran Rico Pisa discovered that Japanese suppliers interpret payment terms differently from Western norms: they expect funds to arrive by the due date, not merely be in transit on that date. His team now pays Japanese suppliers two days early to account for any banking system delays. It's a small adjustment, but one that preserves relationships and avoids awkward conversations.

His solution has been to route payments through local rails wherever possible:

**With Airwallex, we can go direct [through their local payment rails].
It's faster, it's cheaper, and we actually know when the money will arrive.**

Jamie Tran Rico Pisa, Head of Finance



Entity setup provides another window into friction costs. Matus contrasts establishing a Cyprus entity, which he describes as completing with "a button", against France, which required flying to Paris, signing physical documents, and then couriering paperwork via Rio de Janeiro to obtain a co-signature. "It probably cost me £4,000 just to set a French entity up: hotels, flights, legal fees, all that."

Lee is emphatic that finance should be a strategic function, not just a processing department.

Finance should really be a massive value-add department. It should not be just a back-office cost centre, because that is what it's seen as too much, especially in old-school mentalities and old-school companies.

Oliver Lee, CFO

**FLASH
PACK**

At Flash Pack, automation has held finance headcount flat at four FTEs while revenue has doubled.

But the real gain isn't the headcount efficiency; it's what the team does with the capacity they've freed up.



Lee describes finance as a "business partner" that challenges the rest of the organisation in both directions: questioning costs that don't make sense, but also pushing commercial teams to be more ambitious. "If marketing is seeing results, we're the ones saying 'double down, spend more.' We're not just there to say no."

That shift, from gatekeeper to partner, only happens when the team isn't buried in manual reconciliations and payment chasing.

Jonathan Wall from Xeinadin sees the same divide across his client base.

You've got some very sophisticated clients with very sophisticated finance teams who are all over their data. And then you've got many operators where the underinvested department in the company is finance, because it's seen as a necessary evil. They haven't twigged that it's actually the most important part of the business, because it holds everything together.

Jonathan Wall, Partner



The difference, he observes, is often generational: finance leaders who've come from outside the travel industry, bringing fintech fluency and data-driven instincts, versus those who've grown up within it and still rely on a single high street bank for everything from forex to card acquiring.

Part V: Stagnation

Idle capital: simple strategies that work

If volatility and friction are complex problems requiring nuanced solutions, idle cash management turns out to be refreshingly straightforward.

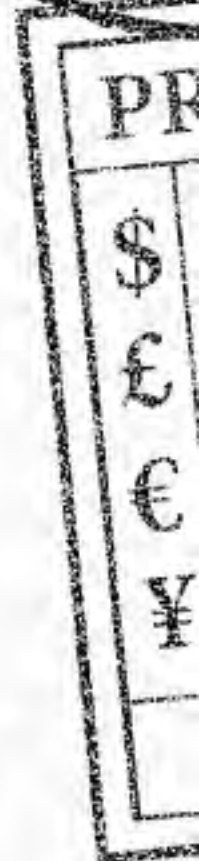
Every finance leader interviewed takes essentially the same approach: sweep excess working capital into interest-yielding accounts and resist the temptation to overcomplicate.

"We have sweep accounts, short-term deposit accounts that we're basically earning market rate of interest on," Lee explains. "We're in rolling deposit accounts that have a month's notice or something, earning a yield from major financial institutions. That's it."

He explicitly rejects more sophisticated approaches at Flash Pack's current scale. Larger companies might diversify into corporate bonds or other instruments, employing dedicated treasury teams to manage the complexity. "But at scale, right now, for me, 'keep it simplified' is one of our morals. You don't really earn any extra yield by taking that complexity on when you've got a few million. It's just not that material."

Matus takes the same view but notes the current rate environment makes the decision easier.

With deposit rates running around 4 to 4.5% on US dollars, even simple accounts generate meaningful returns. "We could have a surplus cash balance being under-utilised," he says. At those rates, the yield equals "just someone's salary, money just sitting there doing nothing" if left unyielded.





Tran Rico Pisa adds a constraint specific to travel: customer deposits carry obligations. "We're quite restricted in what we can do because at the end of the day, they are customer deposits," he explains. "We do have an obligation to make sure that it is used for the trip." Interest-bearing bank accounts represent the safest approach within those constraints.

The regulatory framework reinforces this caution.

Zoe Powell, Director of Travel, Hospitality and Leisure at Xeinaidin and formerly of the Civil Aviation Authority, explains that ATOL-holding tour operators face strict liquidity requirements. "Generally, around 70% of customer funds need to be in cash and cash equivalents with immediate access," she says.

Some operators are required to hold funds in escrow accounts where they cannot claim the money until the customer returns from their trip. These constraints effectively cap the returns available from customer float, which is precisely why every finance leader in this playbook defaults to straightforward savings accounts rather than more exotic instruments.

The consensus is clear: in the current interest rate environment, with the responsibilities travel companies bear for customer funds, sophisticated treasury management offers marginal gains that don't justify the complexity or risk.

To note: Airwallex currently offers its [Yield product](#) (provided by Airwallex Capital (Netherlands) B.V.) to customers in the EEA who are contracted with its Netherlands entity.

Part VI: Temp check

Tracking behaviour, not just rates

The most distinctive insight across these conversations isn't about treasury tactics or payment infrastructure. It's about what finance leaders actually pay attention to when assessing risk.

"We're more interested in the movement of people rather than the policy that's driving the FX impact," Matus explains. "Is the US traveller still travelling? How much of the predominant US domestic market is taken up by domestic travel?"

Matus also points to the Canadian response to US tariff announcements as an example: Canadian travel to the US dropped sharply, but domestic Canadian travel increased to fill the gap.

The currency impact matters, but the behavioural shift matters more, and creates opportunities for operators and their finance teams nimble enough to respond.

Darren Behan sees volatility in the calendar: "When a major tournament is announced, our financial architecture must be ready to handle a sudden surge in multi-currency transactions overnight."

Lee watches sentiment closely.

Flash Pack's customer base skews heavily American and female, and its team monitors how global events affect traveller confidence. When customers feel uncertain about a destination, whether because of political climate, safety concerns, or negative coverage, bookings shift. Catching those signals early gives operations time to adjust. Perception of safety and welcome matters as much as exchange rates when customers are deciding whether to book.



Tran Rico Pisa describes preparing for positive shifts as well as negative ones.

Transforma Travel Group is anticipating that – at time of writing in early 2026 – UK travellers will soon be able to enter China visa-free, a development that could significantly increase demand. "We already have a lot of travellers going from the UK to China," he says. "But we might need to bump up the operation team in China just so that they're quite confident in handling the increase."

Mitchell's experience at On the Go Tours illustrates how portfolio diversification buffers demand shocks.

Egypt was historically their main destination, but when the Israel-Gaza war made customers nervous about the region, the company had already begun diversifying. "They'd already gone on a plan to diversify our portfolio," Mitchell explains. "It was predominantly an Egypt business. Before that point, we started going out to other destinations, which helped when trouble stirred in the Middle East."

The common thread is proactive intelligence rather than reactive scrambling.

Tran Rico Pisa describes pushing his finance team to stay current with news and speak up when they spot relevant developments. Transforma Travel Group maintains regional group chats where staff share everything from health advisories to natural disaster warnings. The information flows quickly enough that the company can adjust before problems escalate, and adapt when opportunities arise.

Part VII : What next?

Conclusion: Building for what comes next

A trio of principles emerge from these conversations that distinguish travel companies gaining ground from those merely surviving.

The first is simplicity over sophistication. Natural hedging through currency matching, straightforward yield accounts, buffer pricing for volatile pairs: these approaches won't win treasury awards, but they work reliably at the scale most travel companies operate. As Lee puts it, "I just don't think the average CFO, no matter what they tell you, can say they're a currency predictor."

The second is speed over perfection. Paying guides in 48 hours rather than three weeks. Converting on the day for depreciating currencies rather than locking in rates months ahead. Sending payments two days early to meet Japanese expectations. The companies gaining ground are those that have eliminated the friction slowing down their financial operations.

The third and final principle is integration over fragmentation. Every finance leader interviewed described consolidating previously scattered functions, including payments, cards, expense management, and collections, onto unified platforms. The gains aren't just efficiency; they're visibility, control, and the capacity to redeploy finance teams from processing transactions to analysing trends and advising the business.

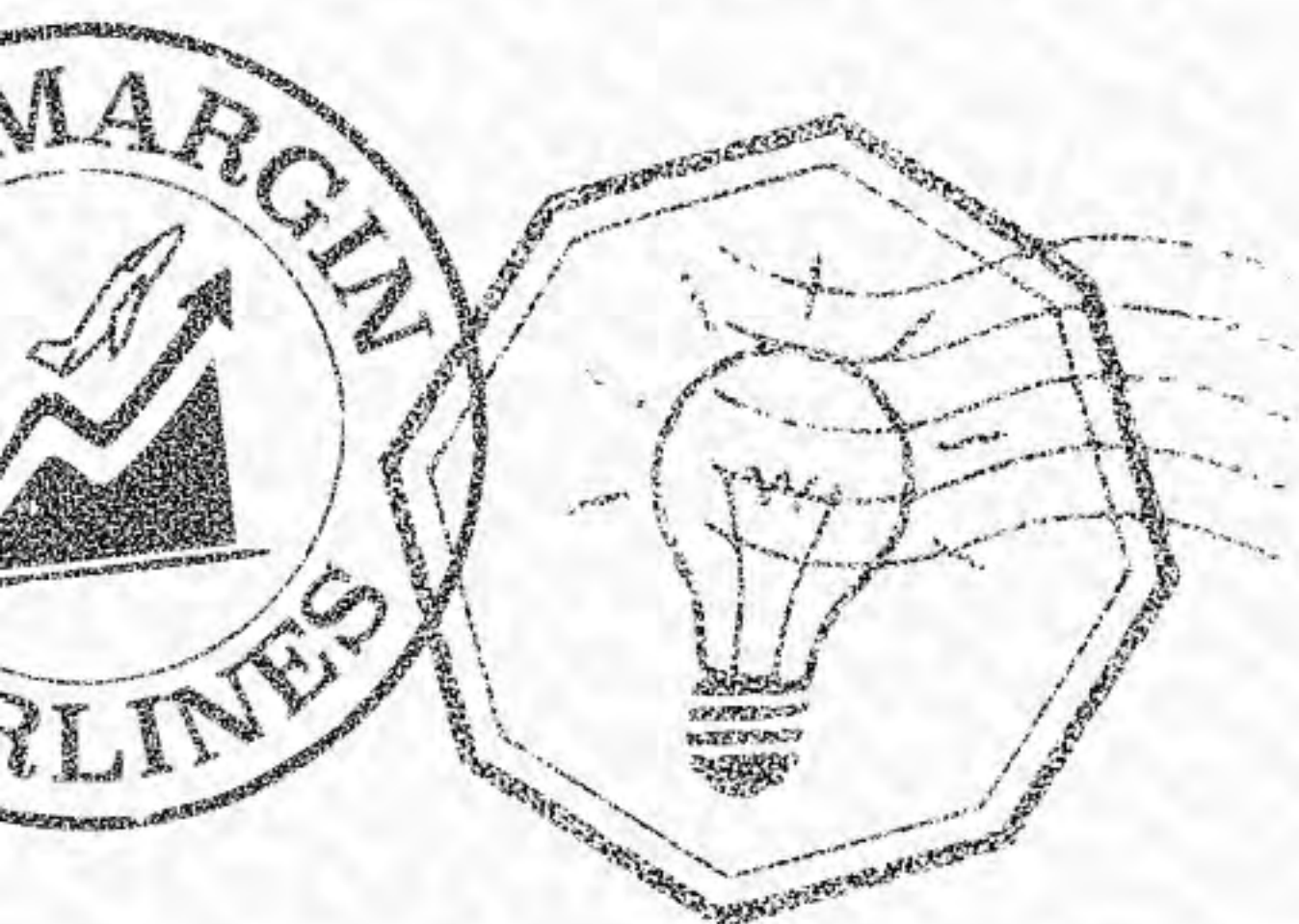
Tran Rico Pisa articulates what the ideal future state might look like: a system that removes the guesswork from currency timing by analysing market conditions and recommending optimal conversion moments. "I think that's one of the biggest challenges right now for travel," he says, "to know when exactly is the right time."

Until that system exists, the travel finance leaders protecting margins most effectively are those who have built infrastructure that absorbs volatility rather than amplifies it, reduces friction rather than tolerates it, and turns their teams into business partners rather than back-office processors.



Final word:

The gap between booking and payout will always exist. What matters is what happens inside it, and as Wall says, that is where your expected profit can literally disappear.



Ready to move beyond fragmented systems to a platform that unifies your entire financial operation?

See how Airwallex helps travel operators protect margins.

[Learn more](#)