

CHIEF FINANCIAL OFFICER

A market intelligence brief for finance
leaders in Travel & Leisure

August 2026

**BLACKLINE
CONSULTING**

A HIGHER STANDARD



THE BLACKLINE RADAR SERIES

The Radar series is a set of role-based briefings for executives in Travel & Leisure, designed to be read in minutes and discussed for longer. Each Radar takes a single seat at the executive table and asks one question: *what should this leader have on their screen for the year ahead?*

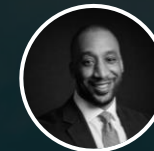
Every Radar is structured around five lenses:

- **THE BRIEF:** The mandate for the role this year, stated plainly. What the organisation is asking of this executive, and how that ask differs across sub-sectors
- **HEADWINDS:** The forces working against the role. Market conditions, cost pressures, regulatory constraints and structural shifts that make the mandate harder to deliver.
- **TAILWINDS:** The forces working in the role's favour. Capabilities, market dynamics and tools that, used well, give the executive room to move.
- **BLIND SPOTS:** The areas where visibility of risk is limited. Not the known problems, but the places where the data, the reporting or the operating model may be quietly masking an issue.
- **EXECUTIVE TENSIONS:** Where interests may align or diverge. The points of natural tension and natural partnership across the executive team, and where the CFO's agenda intersects with that of the CEO, COO, CIO/CDO and CMO. Knowing where interests align is often the difference between a mandate that gets delivered and one that stalls.

This edition focuses on the Chief Financial Officer: *hold the line on margin through compounding cost pressure and mounting regulatory risk, without over-claiming efficiency gains or under-pricing pricing-practice exposure.*



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The CFO faces a difficult combination of challenges: cautious experience-led spending, a step-change in staff costs, and regulation turning against long relied on pricing practices. UK Hospitality estimates roughly £1.9bn in additional wage costs, £1bn in employer NI and £500m in business rates landed in April 2026 alone, while the CMA has named dynamic and algorithmic pricing a formal 2026-27 enforcement priority, with fines up to 10% of global turnover. Margin mechanics differ across the portfolio, labour-intensive hotels and attractions feel wage and NI rises most directly, while airlines and OTAs carry greater pricing-practice regulatory exposure.

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HEADWINDS

A compounding cost base

→ Wage, National Insurance and business rates increases are landing simultaneously rather than in sequence, leaving limited room to absorb any one of them without either margin compression or price increases that risk demand.

Regulatory exposure on pricing practice

→ The CMA's active enforcement focus on dynamic pricing, drip pricing and algorithmic coordination directly touches core commercial practices across travel, hotels and events, with financial penalties that dwarf the cost of getting it right.

Volatile consumer spend

→ Overall travel spend fell for three consecutive months into mid-2026 even as staycations and cruise grew strongly, making revenue forecasting genuinely harder than the resilient headline leisure spending numbers suggest.

TAILWINDS

An elevated savings pool to draw on

→ The UK household savings rate is running well above its long term average, representing real spending capacity that can convert to leisure demand if consumer confidence stabilises.

Efficiency gains from AI and automation

→ Real, measurable productivity and revenue gains from AI-driven personalisation, pricing and operations give CFOs a credible route to offset rising labour costs without cutting service quality.

Rates and relief levers still in play

→ Business rates reform and reliefs remain a live policy conversation, with industry pressing government for further support; CFOs engaged early are better placed to capture any additional relief.

BLIND SPOTS

Pricing practices survive CMA scrutiny

→ Most businesses reviewed didn't clearly disclose dynamic pricing to customers; few CFOs have tested their own pricing against new transparency requirements.

Real payback period on automation investment

→ Efficiency claims are hard to verify; inference now exceeds 80% of AI spend and scales non-linearly, and with governance sitting in IT, CFOs often see the true run-rate last.

Margin resilience if EU EES dampens demand

→ Border friction's effect on bookings and channel mix isn't yet visible in most forecasts and could land as a second-half surprise.

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The CFO's tensions follow a pattern: alignment where capital allocation and cost discipline are shared, conflict where compliance risk or growth optimism outruns the numbers. The CEO relationship carries both; aligned on capital allocation and cost absorption, split on how far growth can stretch against a fragile consumer. The COO and CIO/ CDO relationships are largely aligned, sharing the payback case for automation and pricing technology. The sharper conflicts are external, with the CMA, where standard pricing practices are now enforcement targets, and with government, where wage, NI and rates policy remain unsettled.

WHERE INTERESTS MAY ALIGN

The alignment here is natural - invest, & build on it...

On Capital Allocation

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→ The closest partner on capital allocation, on where cost pressure gets absorbed versus passed through, and on the credibility of growth plans against a still-fragile consumer.

On Automation

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→ A shared interest in the payback case for automation and operational efficiency investment, and in holding cost discipline through delivery.

On Pricing & Personalisation Tech

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→ Increasingly a partner on the investment case for pricing and personalisation technology, where the return is measured in both margin and regulatory safety.

WHERE INTERESTS MAY DIVERGE

These tensions are structural - navigate them openly...

On Pricing Practice

CONSUMER REGULATORS

→ Pricing practices that were standard across the industry are now active enforcement targets; the CFO must treat compliance as a live commercial risk, not a legal afterthought.

On Labour Cost

UK GOVERNMENT

→ Wage, National Insurance and rates policy remain live and could move again; the CFO needs a current view of what's proposed rather than assuming this year's settlement holds.

On Margin Risk

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→ Resilient headline leisure spending data can tempt expansion; the CFO must keep the underlying margin and regulatory risk picture honest.



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A H I G H E R S T A N D A R D

Founded in 2013, Blackline Consulting is a multidisciplinary boutique advisory and execution firm operating across the UK and North America. We help organisations define strategy, enhance operations, drive transformation, and manage change

A higher standard, delivered quietly by people who care

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