

IDC MarketScape: Worldwide AI-Enabled Travel and Expense Applications for Small Business 2025 Vendor Assessment

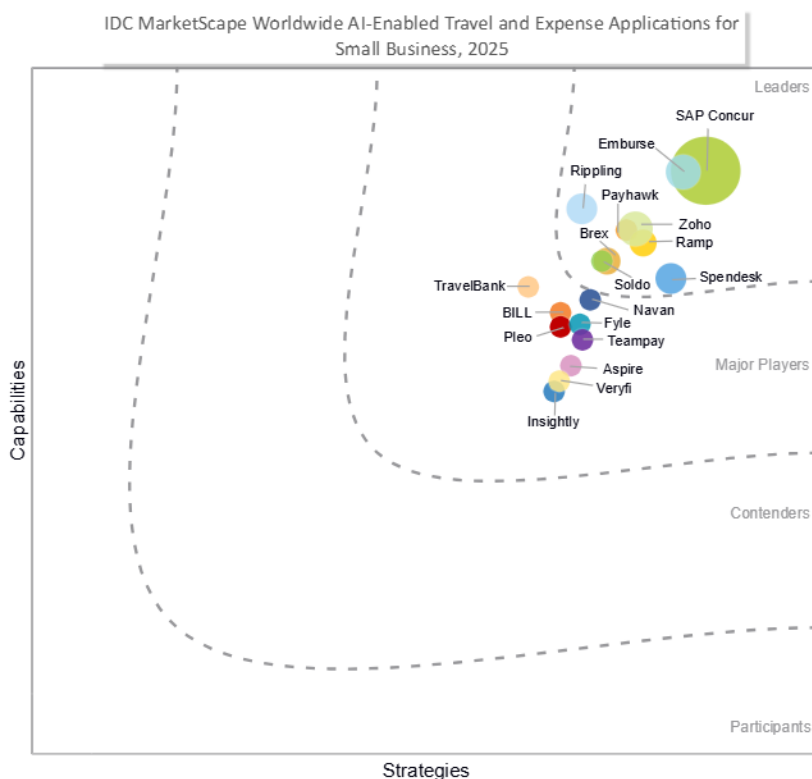
Kevin Permenter Jordan Steele

THIS EXCERPT FEATURES EMBURSE AS A LEADER

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide AI-Enabled Travel and Expense Applications for Small Business Vendor Assessment



Source: IDC, 2025

See the Appendix for detailed methodology, market definition, and scoring criteria.

ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide AI-Enabled Travel and Expense Applications for Small Business 2025 Vendor Assessment (Doc # US53006625).

IDC OPINION

For small businesses, every dollar and every hour counts. When it comes to managing travel and expenses (T&Es), clunky software and time-consuming manual processes can be a real drain. But the emergence of generative AI in T&E software isn't just for big corporations; it holds the promise of significant benefits for smaller teams too — focusing on what truly matters: saving money, simplifying workflows, and reducing the stress of managing T&E.

Forget complex features and enterprise-level jargon. For a small business owner or employee wearing multiple hats, the appeal of generative AI lies in its ability to deliver tangible, everyday advantages. Imagine a system that learns your team's typical travel needs and automatically suggests the most cost-effective options — without you spending hours comparing flights and hotels. This isn't about fancy algorithms; it's about getting the best deals, effortlessly.

Expense reports often feel like a necessary evil; it's a time sink that pulls valuable resources away from core business activities. Generative AI can drastically simplify this. Instead of manually entering every detail from a crumpled receipt, imagine simply snapping a photo. The AI not only extracts the data but also intelligently categorizes expenses and flags potential issues based on preset (and easily customizable) company policies. This means less time spent on tedious data entry and more time focused on growing your business.

Think about the frustration of last-minute travel changes. For a small team, a flight cancellation can throw everything into disarray. Generative AI can act as a virtual travel assistant, monitoring your bookings and proactively suggesting alternatives if disruptions occur. It could even help rebook travel arrangements with minimal input, saving you the headache of navigating complicated airline websites or spending valuable time on hold.

Moreover, generative AI can provide smarter insights into your spending patterns, even with limited data. It can identify trends you might not notice, highlighting opportunities to negotiate better rates with preferred vendors or adjust travel policies to be more cost effective. This isn't about complex analytics dashboards; it's about getting clear, actionable recommendations that directly impact your bottom line.

The beauty of generative AI for small businesses is its potential to democratize sophisticated tools. Previously, features like intelligent automation and proactive alerts were often locked behind expensive enterprise solutions. Now, as AI becomes more integrated into T&E software, even small teams can access these powerful capabilities, leveling the playing field and allowing them to manage their travel and expenses with greater efficiency and control.

Ultimately, for a small business buyer, the generative AI revolution in T&E software translates to tangible benefits: fewer wasted hours on administrative tasks, smarter spending decisions that directly impact profitability, and less stress associated with managing the often-complex world of travel and expenses. It's about having a smart, intuitive assistant that works quietly in the background, freeing you up to focus on what truly matters — the success of your business.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

The vendor inclusion list for this document was selected to accurately depict the vendors that are most representative of any given T&E functional buyer's selection list. Vendors were further investigated to ensure that their offerings qualified as "AI enabled" and the vendor had won recent deals. Further, participant companies were asked which other vendors they most often compete against in deals. Also, the T&E software must be able to be purchased and implemented separately from other associated financial/ERP software. Preference was given to companies with revenue of more than \$10 million and/or those that were on our watch list of companies within this market.

The vendor inclusion list for this document was selected to accurately depict the vendors that are most representative of any given software application on buyer's selection list based on the following:

- Vendors must have an AI-enabled offering, including traditional AI, machine learning (ML), generative AI, agentic AI, or any combination.
- Software applications can be purchased separately (not just functionality built into a larger system) and are available off-the-shelf without required customization.
- Software applications have capabilities for travel management features (including pretrip approvals, travel booking, itinerary management, and travel policy management) and expense management features (including receipt management, workflow management, and expense payment management).
- The vendor provides integrated/embedded user experience for both travel and expense management (TEM) either via a native application or through a dedicated partnership.

- The vendor must have 2024 revenue in at least two countries.
- The vendor must have at least \$5 million in 2024 T&E management software revenue.
- The vendor must have a minimum of one travel and expense product in the market for at least three years.
- The vendor must have a significant footprint with businesses with less than 100 employees.

ADVICE FOR TECHNOLOGY BUYERS

Navigating the T&E Software Maze: Your Actionable Guide

Choosing the right travel and expense management software is a pivotal decision. Don't get lost in the features — focus on your needs and ask the tough questions. The sections that follow provide a road map for navigating this crucial decision.

Unearth Your Core Needs and AI Aspirations

- **Zero in on your pain points:** For small businesses, manual expense management isn't just tedious; it's a costly distraction from growth. Common frustrations include juggling multiple systems that don't talk to each other, delayed reimbursements that impact employee morale, and a high risk of errors or even accidental expense abuse. Quantify not only the time lost but also the real dollars slipping through the cracks.
- **Define your ideal outcome:** Small businesses often lack the resources for dedicated finance teams, so look for software that automates as much as possible — think receipt scanning, auto-categorization, and instant policy checks. Set goals around reducing manual bookkeeping hours, cutting processing costs, and increasing financial visibility.
- **Get real about AI:** Focus on AI features that directly solve your biggest headaches, like automating receipt capture, flagging out-of-policy expenses, or providing real-time spend analytics. Avoid "AI for AI's sake" — prioritize solutions that clearly contribute to your bottom line and free up your limited staff for higher-value work.

Decode the Vendor Landscape and Its AI Promises

- **Don't settle for the first handshake:** Small businesses are particularly vulnerable to adopting disjointed systems as they grow. Prioritize vendors offering all-in-one solutions that integrate travel booking, expense tracking, and approval workflows to avoid future headaches and data silos.

- **Demand AI demos with your data:** Insist that vendors demonstrate how their AI handles your specific use cases, like processing receipts from local vendors or enforcing your unique travel policies. Real-world relevance is critical for lean teams.
- **Peel back the layers of their AI brain:** Ask how the AI adapts to small data sets and whether it can be easily customized to your evolving needs. Transparency is key, especially if you lack an in-house IT team.
- **Don't let AI hype distract from basics:** Ensure the solution integrates smoothly with your existing accounting or payroll software — manual data transfer is a hidden productivity killer for small teams.

Put User Experience and AI Integration Under the Microscope

- **Empathy for your team is key:** For small businesses, every employee wears multiple hats. Choose software that's intuitive enough for nonfinance staff and offers seamless mobile experiences for employees on the go.
- **Will AI be a copilot or a backseat driver?** Insist on seeing how AI features fit into your team's actual workflow. Does it truly save time, or does it add unnecessary steps?
- **Crowdsourced opinions are important:** Involve team members from different roles, especially those who will use the system most. Their feedback on usability and AI practicality is especially valuable in a small business context where one bottleneck can slow down the whole operation.

Look Beyond the Software and Interrogate AI's Soul

- **Implementation:** Small businesses can't afford a rocky rollout. Ask about onboarding support, training for nontechnical users, and realistic timelines. A smooth launch is essential when resources are limited.
- **Support and training:** Ensure there's responsive customer support and accessible training for all user types. Small businesses often lack dedicated IT staff, so self-service resources and live help are crucial.
- **The true cost:** Look beyond the sticker price. Factor in implementation, training, ongoing support, and any customization fees. AI-powered tools can reduce bookkeeping costs dramatically — from \$40,000–\$60,000 per year to as little as \$20–\$200 per month for some small businesses.
- **Vision for the future:** Choose vendors actively investing in AI features that will help you scale, like predictive analytics for spend forecasting, which can help you make smarter decisions as your business grows.

Conduct Due Diligence: Your Safety Net (Especially with AI)

- **Seek references:** Ask to speak with other small business customers. Their experiences will be more relevant than those of large enterprises and can reveal whether the solution truly fits small business needs.
- **Pilot the AI if possible:** Take advantage of free trials or pilot programs to see how the tool works with your actual data and workflows. This is especially important for small businesses where a poor fit can have outsized consequences.
- **Read the fine print:** Scrutinize SLAs, data ownership, and termination clauses. Small businesses need to avoid getting locked into inflexible contracts or losing control over their own data.

Red Flags: Heed These Warnings About AI

- Vague AI promises without demos relevant to small business workflows
- Lack of clear, jargon-free explanations about how the AI adapts to your data
- AI features that require extensive customization or IT support to use
- Evasive answers about data security and privacy, especially critical for small businesses that can't absorb the cost of a breach
- Resistance to providing references or pilot access for small business customers

By arming yourself with these critical questions and focusing on tangible value — especially when it comes to the promises of AI — you can navigate the market with confidence and choose a solution that truly empowers your organization.

VENDOR SUMMARY PROFILE

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

SAP Concur

After a thorough evaluation of SAP Concur's strategies and capabilities, IDC has positioned the company in the Leader category of this 2025 IDC MarketScape for worldwide AI-enabled travel and expense applications for midmarket.

SAP Concur is a global provider of integrated travel, expense, and invoice management solutions. Their cloud-based platform aims to automate and connect these processes, providing businesses of all sizes with greater visibility into spending, improved operational efficiency, and the ability to drive internal compliance while also adhering

to regulatory standards. As part of the larger SAP ecosystem, SAP Concur offers a comprehensive suite for managing business travel and employee-driven spend.

SAP Concur's expense management solution offers a comprehensive set of features, and AI-driven tools. The platform aims to streamline the entire spend life cycle, from travel booking and initial spend to reimbursement and analysis. Capabilities include automated receipt capture via mobile, email, and direct integration with global payment providers, along with AI receipt itemization and transaction matching that reduce manual tasks for employees. Reporting and insights provide finance teams with greater visibility, control, and the ability to drive more informed decisions. The platform also supports configurable workflows, policy enforcement, audit controls, and compliance with regional tax and regulatory standards. Native travel booking tool and seamless integration with a vast ecosystem of accounting, ERP, HR, and other business systems enable a connected experience across pre-spend, spend, and post-spend workflows.

Strengths

- **Extensive and mature feature set:** SAP Concur offers a highly comprehensive and mature set of features capable of supporting companies of all sizes, including growing SMBs moving towards expansion. This includes handling complex expense management requirements for large and multinational organizations, including intricate policy configurations and global compliance needs. This depth of functionality caters to diverse and demanding business environments.
- **Strong global presence and support:** With a sizable global footprint, local teams, and 24 x 7 support, SAP Concur provides extensive support for its customers. This includes the ability to serve various currencies, languages, and international regulations, making it a suitable solution for companies operating across multiple countries or in a single country.
- **Robust integration ecosystem:** SAP Concur boasts a wide and well-established ecosystem of integrations with a vast array of accounting, ERP, HR, and other business systems, ensuring seamless dataflow and connectivity with existing technology infrastructure. This strong integration capability enhances efficiency and data accuracy. SAP Concur's extensive partner ecosystem of 1200+ partners enable customers to extend the value of their T&E program to address other business critical needs.

Challenges

- **Perceived complexity and cost:** As a premium solution, SAP Concur can be perceived as a complex and potentially expensive solution, particularly for businesses with simpler needs or tighter budgets. The extensive feature set, while powerful, might require configuration and ongoing management to realize

its full value. Configuration can be managed by SAP Concur on behalf of the customer.

- **User interface modernization:** While highly functional, the user interface of SAP Concur is sometimes described as less modern or intuitive compared to newer expense management platforms that prioritize user experience. An outdated interface could impact user adoption and satisfaction. This perception is partly due to SAP Concur currently being in the midst of a significant re-platforming effort aimed at modernizing the user experience. It is expected that this perception will shift as customers move to the new platform.
- **Implementation and configuration Effort:** Implementing and configuring SAP Concur, especially for organizations with complex requirements, can be a significant undertaking requiring dedicated resources. Depending on customer requirements, the initial setup process might vary between weeks and months.

Consider SAP Concur When

Consider SAP Concur if your organization, whether growing domestically or operating globally, is looking to streamline expense processes, improve compliance, and benefit from a scalable platform that can adapt to increasing complexity over time.

Appendix

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

Travel and expense (T&E) management software provides travel, expense, and invoice management services that work alongside financial accounting, human resources, and procurement systems to create a single, connected process for managing an organization's spend. This IDC MarketScape focuses on the expense management side of the T&E market, including expense applications' ability to integrate with travel management services and travel networks.

Travel and expense management software allows users to submit, process, reimburse, and track employee expenses. The software enables employees to input expenses for approval through a desktop, browser, or mobile application. Afterward, administrators can track expense reports, enforce company policies for expenses and travel, set up approval routings, and generate reports for specific projects or company departments.

Related Research

- *AI-Powered T&E: Navigating Global Complexity with Intelligent Automation* (IDC #US53313425, April 2025)
- *Market Analysis Perspective: Worldwide Travel and Expense Management Software, 2024* (IDC #US51659524, September 2024)
- *Worldwide Travel and Expense Management Software Forecast, 2024–2028* (IDC #US51658624, August 2024)
- *IDC's Worldwide Digital Transformation Use Case Taxonomy, 2024: Experiential Hospitality, Dining, and Travel* (IDC #US52102324, August 2024)

Synopsis

This IDC study provides an assessment of the leading AI-enabled travel and expense software solutions and discusses the criteria that are most important for companies to consider when selecting a system.

"In the global labyrinth of enterprise travel and expense, generative AI emerges as the strategic compass, providing the control, optimization, and unprecedented insight needed to navigate complexity and drive significant value," says Kevin Permenter, senior research director, Financial Applications at IDC.

ABOUT IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

Global Headquarters

140 Kendrick Street
Building B
Needham, MA 02494
USA
508.872.8200
Twitter: @IDC
blogs.idc.com
www.idc.com

Copyright and Trademark Notice

This IDC research document was published as part of an IDC continuous intelligence service, providing written research, analyst interactions, and web conference and conference event proceedings. Visit www.idc.com to learn more about IDC subscription and consulting services. To view a list of IDC offices worldwide, visit www.idc.com/about/worldwideoffices. Please contact IDC at customerservice@idc.com for information on additional copies, web rights, or applying the price of this document toward the purchase of an IDC service.

Copyright 2025 IDC. Reproduction is forbidden unless authorized. All rights reserved.