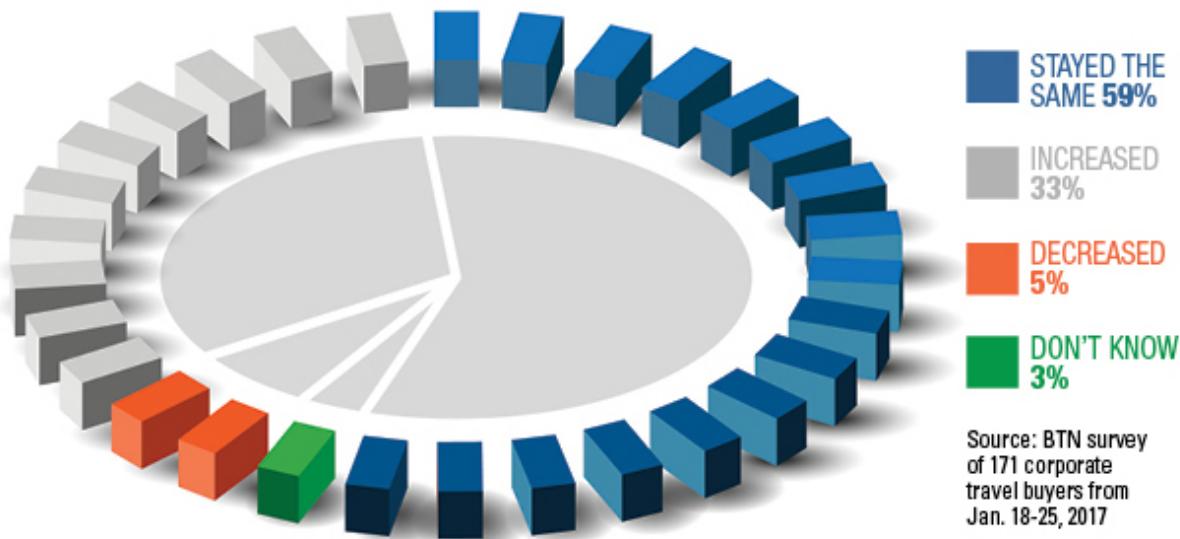


POLICY: Travel Managers are Reconsidering Premium Air Policies

The major airline carriers may have begun to offer basic economy fares, along with other types of price segmentation, but businesses seem to be reviewing and, in many cases, increasing their premium air policies. Some companies are beginning to put more focus on traveler services and satisfaction, and their loosened travel policies show it.



Upgrading Business Traveler Services/Satisfaction: How Travel Programs' Focus Has Changed over the Past Two Years

In the February 2017 issue of Globalsite, we outlined the Big Three's basic economy fares. What companies are seeing is that those services, while beneficial for the leisure traveler, are not necessarily designed for the business traveler.

While it does not mean that budget concerns are out the window for many companies, some are finding ways to add premium options for travel beyond airfare. Over the past two years, travel programs have increased their travel policies by the following percentages:

- Upgraded airline seats/cabins – 24%
- Chauffeured car services – 12%
- Upgraded car rentals – 10%
- Upgraded hotel rooms – 7%

Business Travel News surveyed 171 travel buyers and found that approximately half of them plan to alter their travel policies based on premium economy offerings. More than 25% have made more travelers eligible for premium class travel, but only 15% have reduced travelers' premium class eligibility to premium economy.

Sources:

<http://www.thebeat.travel/post/2017/03/01/2016-TE-Breakdown.aspx?cid=thebeat>

<http://www.businesstravelnews.com/Management/Buyers-Reconsider-Premium-Air-Policies?cid=thebeat>