

The Rise in Low-Cost Business Travel

Paris, France—May 2009—The airline industry has undergone a shift in the past few years, as the meeting planning industry (and the general public) have noticed. The move has been toward the near-universal adoption of the low-cost carrier operating model, which is marked by lower, unbundled fares and a reliance on ancillary revenues. Though the institution of new fees (like checked bag fees, etc.) have made headlines and created a negative impression of this fundamental shift, the unbundling of the standard airfare and the increase in available options is actually of great benefit to meeting planners.

The low fare, obviously, allows for transportation costs to be kept in check. But the availability of ancillary offerings means that a customizable flight experience is available for each individual within a group. What's more, because many of the airlines' new offerings are centered around the travel experience (the three most important ancillary offerings are car rentals, hotel room reservation, and trip insurance), airline websites are becoming extremely useful tools for meeting planners looking for a centralized booking engine for the entire trip.

So rather than joining in the negative conversations, keep in mind that the low-cost model will save you and your client money and ensure that you're only paying for the extras that you really value.

By Raphael Bejar, CEO of Airsavings

About Airsavings

Created in 2001 by airline industry professionals to serve the growing needs of mid-sized airlines in cost reduction and ancillary revenue generation, Airsavings is a group buying service focusing on fast growing airlines. By combining the purchasing volume of participating airlines, Airsavings was the first to apply to the airline industry a successful concept already in use in the auto, chemical and hospitality industries. Airsavings group buying expertise, combined with the knowledge of airline internet booking engines, has uniquely positioned Airsavings in the area of ancillary revenues - now a vital lifeline for airlines. Airsavings proprietary industry platform called AirlinePlus, enables carriers to deliver a multitude of ancillary services found most useful and with the greatest potential for mass adoption and profitability. For more information, please visit www.airsavings.net.

