

How Does Your Air Policy Stack Up?

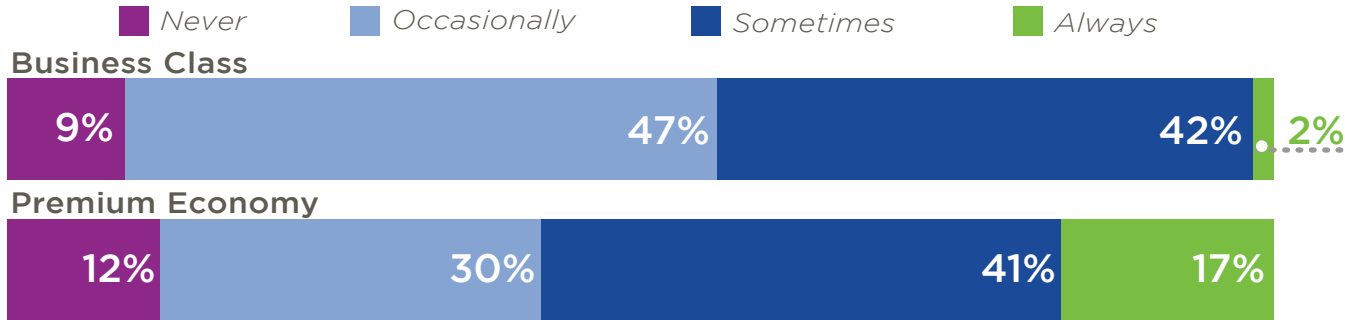


IN PARTNERSHIP WITH



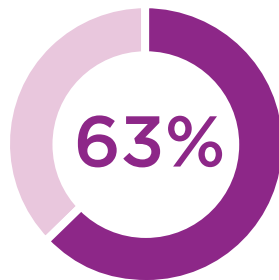
Fare Class

Do Policies Allow Premium Fares? Sometimes...

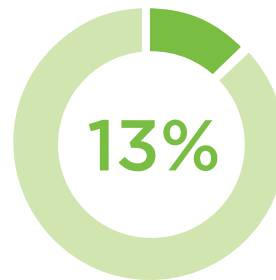


Most Policies Restrict Basic Economy

Basic Economy fares are typically cheaper than Regular Economy, but include additional restrictions or fewer amenities



Never allow it



Always allow it



79%

of travel programs configure their booking tool to hide **Basic Economy** when travelers are not authorized

Basic Economy Can be a Challenge for Travel Programs

Spend Visibility

It's difficult to know how much these fares actually cost when add-ons are factored in.

Comparison Shopping

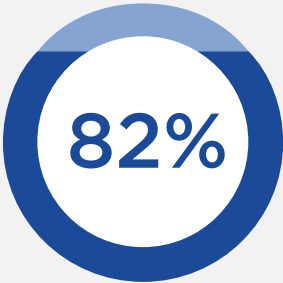
Basic economy products are different from regular economy - and sometimes even different from each other. It's hard to make apples-to-apples comparisons

Policy

Many policies address a lowest logical fare. Basic economy fares may qualify as lowest logical before add-ons are factored in.



Add-ons and Extras



82% of travel policies address add-ons

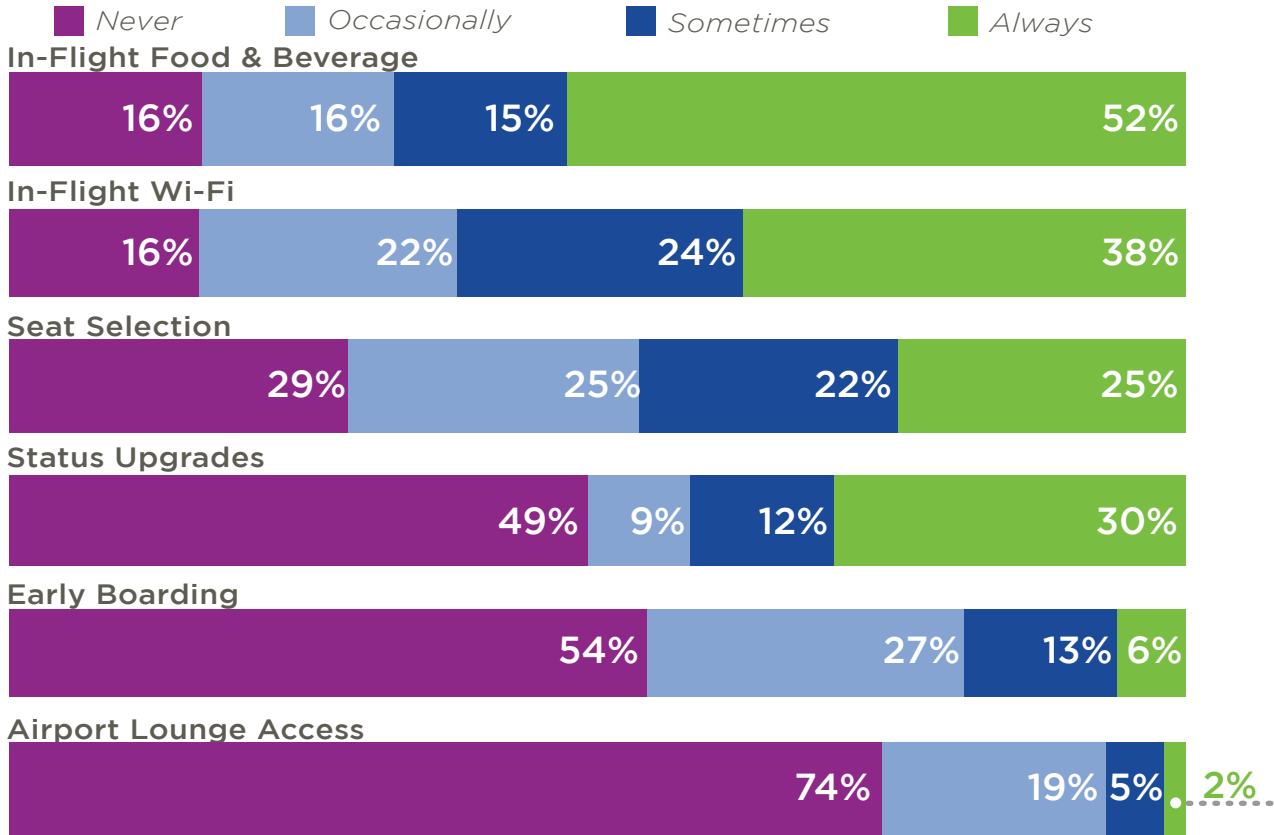
New Distribution Capability

With the growing rate of New Distribution Capability (NDC) implementations, ancillaries will become more accessible during the booking and ticketing path. While this added content presents a lot of opportunity, policies will need to be clearly defined.



Only **1 out of 5** say these are commonly purchased through TMC channels

When are Add-ons Allowed?



Advance Purchase

Advance Purchase is Common - But Does it Have Teeth?



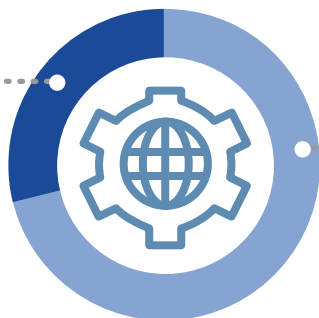
91%

of travel policies address
advance purchase of flights

Of These...

29%

Require advance
purchase when-
ever possible



71%

Recommend it

When It's Required...

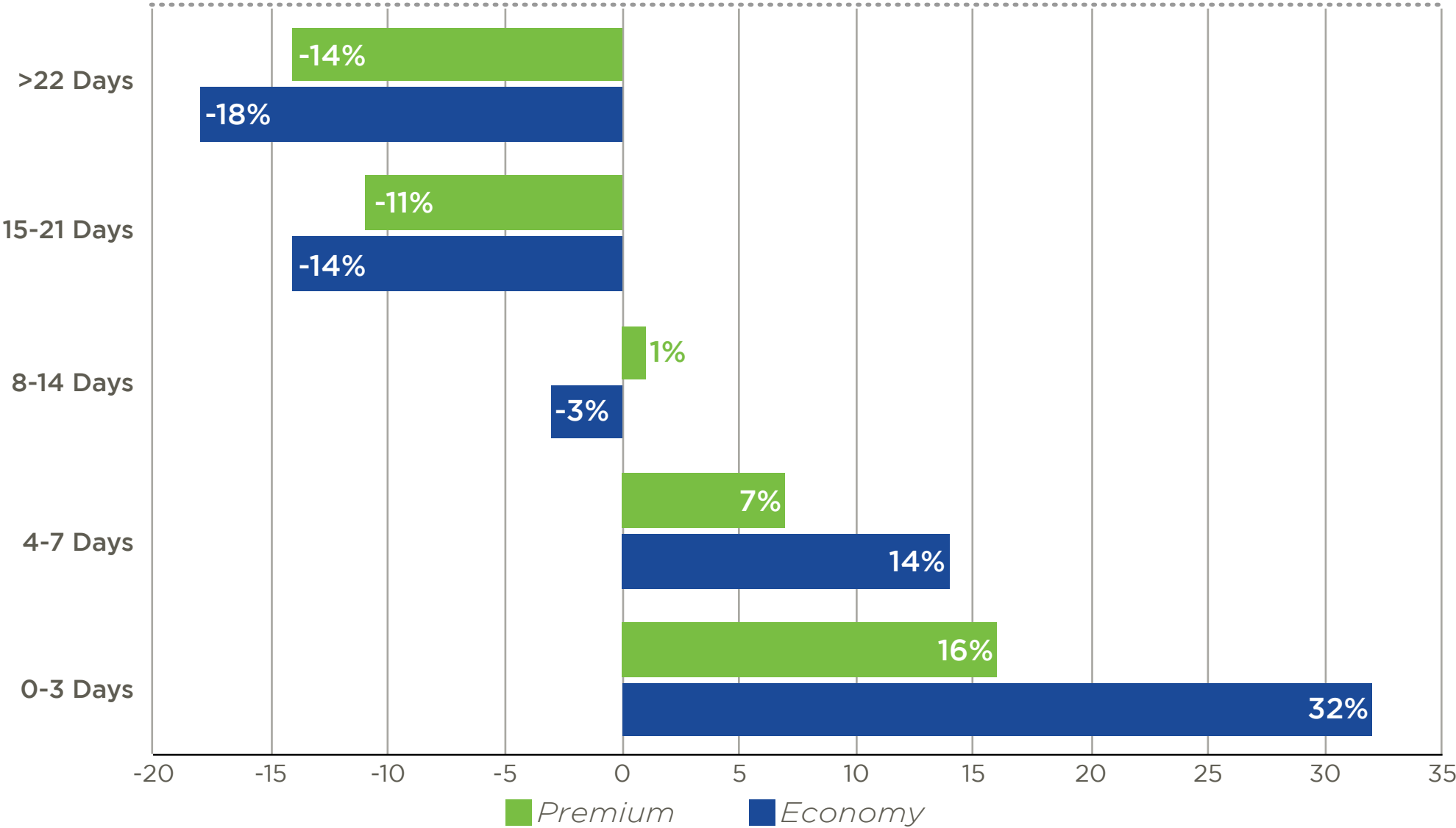
52%

Still **do not** require special
approval of flights booked
after the advance purchase
deadline



Advance Purchase Savings: U.S. Corp Agencies

ARC transaction data show that booking in advance can mean significant savings. Does it make sense to take a harder line on advance purchase?



Flight Selection

Lowest Logical Fare (LLF) is Typically NOT Required. Nevertheless, Most Bookings are Made at the LLF



93%

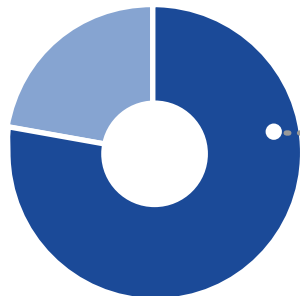
of travel policies address a lowest logical airfare

Most Recommend It, but Don't Require It

Travel programs address lowest fare or lowest logical fare as...

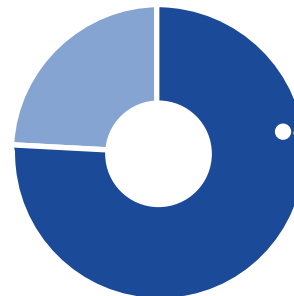


Of Those That Address a Lowest Logical Fare...



78%

track how many bookings are made at this fare



76%

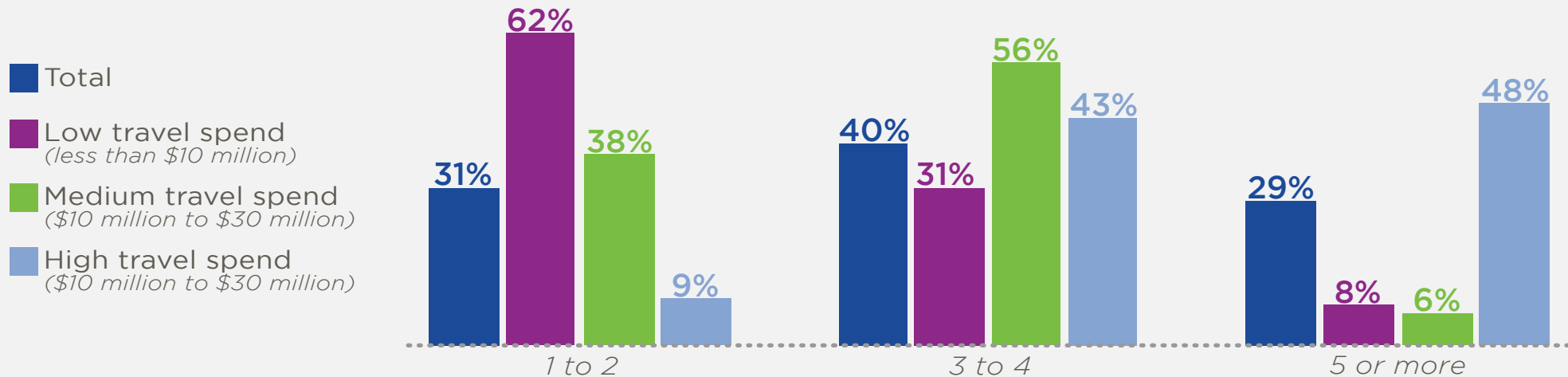
is the average percentage of bookings made at the lowest logical fare

Flight Selection

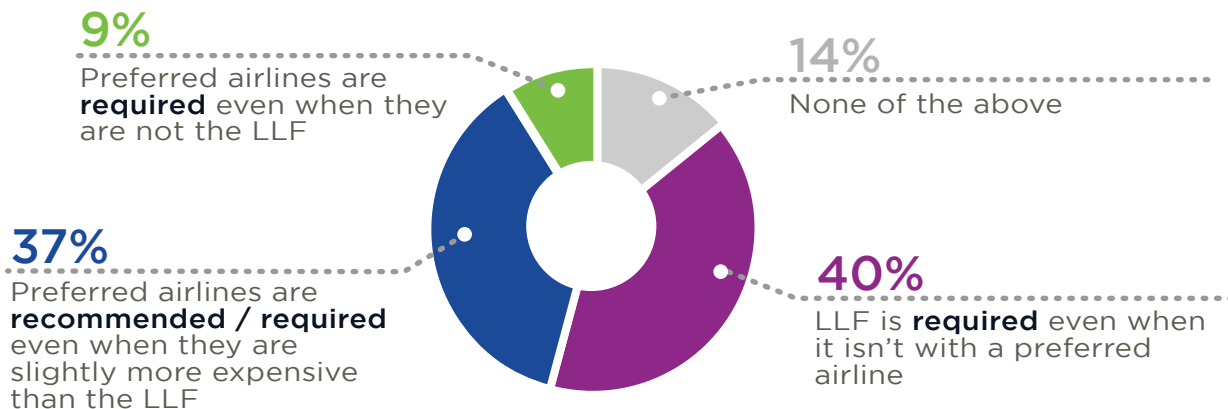
88%

of **managed** travel programs have negotiated rates with at least one **preferred airline**

Number of Preferred Airlines With Which Company Has Negotiated Fares



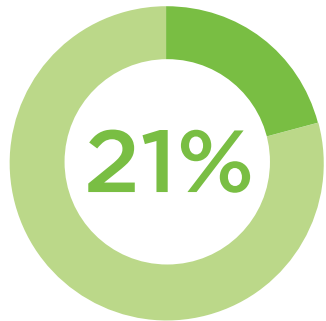
What Happens When Preferred Airlines Cost More Than LLF?



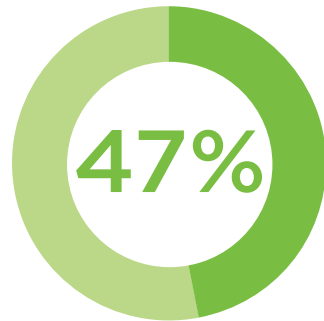
Gamification

While gamification is still an emerging feature of travel programs, there are an increasing number of organizations and technologies that can be used to promote compliance, raise awareness of policy benefits and engage new generations of travelers. This is an area policy owners should continue to watch and consider.

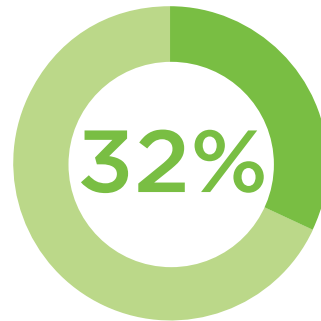
When Travel Programs Don't Reward Travelers...



would consider rewarding them for policy compliant or low-cost air bookings



would not consider any rewards regarding bookings



are not sure



3% of travel programs reward travelers for saving money on air bookings





GLOBAL BUSINESS TRAVEL ASSOCIATION

About GBTA

The Global Business Travel Association (GBTA) is the world's largest professional association representing the \$1.4 trillion business travel industry. Our global membership includes 9,000-plus business travel professionals from every continent. Collectively, our members directly control more than \$345 billion of global business travel and meetings expenditures annually, and also represent every facet of the global travel industry marketplace.



About ARC

An industry leader in distribution and data, ARC settles more than \$88.5 billion in transactions annually between airlines and travel agencies, representing more than 287 million passenger trips. ARC provides flexible distribution solutions, innovative technology and access to the world's most comprehensive air transaction data, helping the global air travel community connect, grow and thrive. For more information, please visit www.arccorp.com.

