

## **A BUSINESS TRAVEL UPDATE FROM ALL SEASONS TRAVEL**

### **A HOLIDAY MESSAGE FROM ALL SEASONS TRAVEL**

As we come to the end of 2008, the All Seasons Travel staff wishes each of you a very Happy Holiday and we hope the New Year will bring peace to one and all. We are very thankful for the opportunity to be your travel management company. To honor our relationship this holiday season we've made a gift to help people in need in our communities. In Birmingham we have made a donation to the Children's Aid Foundation, and in Montgomery we have made a donation to the Montgomery Food Bank.

### **AIRLINES**

#### **FEWER PLANES IN THE AIR BOOST ON-TIME PERFORMANCE**

The airline industry's capacity cuts, resulting in fewer flights operating daily, have contributed to the improvements in on-time performance shown above. Notably, in September, when the share of flights arriving on time rose to 84.9%, carriers implemented the bulk of the large capacity cuts announced at the height of the summer's oil-price surge. Source: Wall Street Journal

#### **DELTA REALIGNS FEES FOR CUSTOMERS ON DELTA AND NORTHWEST FLIGHTS**

Delta Air Lines, which recently acquired Northwest Airlines, is aligning the fee structures of the two carriers. It has dropped award ticket fuel charges instituted to cope with soaring fuel costs and reduced the cost of telephone reservations from \$25 to \$20. It has eliminated curbside check in administrative fees and aligned the two carriers' baggage fees. In addition, Delta now offers passengers Coach Choice seats for an additional fee when they check in online 24 hours before departure. These are certain aisle, window or exit row seats. Source: Delta press release

#### **GLOBAL AIR TRAVEL KEEPS FALLING**

IATA (the International Air Travel Association) said that global air travel dropped for the second month in a row, with international passenger traffic down 1.3 percent compared to October 2007. That was a smaller decline than September's 2.9 percent drop. North American traffic declined 0.8 percent; Asia Pacific traffic was down 6.1 percent, European traffic was up 1.8 percent. IATA's head, Giovanni Bisagnani, said that recession is now the biggest threat to airline profitability. Source: IATA press release

#### **TREND: "PREMIUM ECONOMY" OFFERS MORE COMFORT BUT STILL COACH**

As tightening travel budgets restrict first and business class bookings, interest in the "premium economy" class is resurfacing. A dozen international airlines flying to the U.S. now offer extra legroom, wider seats and seats that recline lower in premium economy cabins at a cost that's slightly more than coach but notably less than business class. Some carriers even include better meals, early boarding, access to faster airport security lines, and other amenities. Source: The Wall Street Journal

#### **UNITED MAKES IT A LITTLE EASIER TO PAY BAGGAGE FEES AND BUY EXTRA LEG ROOM**

More airlines are making it a little easier for consumers to pay baggage and other fees. United Airlines canceled its previously announced plans to increase the domestic second bag fee from \$25 to \$50 one way, and now lets you pay your baggage fee in advance on its website instead of at check-in. You can now upgrade online instead of at check-in to Economy Plus, which starts at an additional \$14 one way for up to five additional inches of legroom. Next spring, your travel agent will be able to book your baggage and upgrade you to Economy Plus. Northwest Airlines is another carrier that now lets you pay your baggage fee in advance when you check in online; Spirit Airlines discounts your baggage fees when you pay online. Look for more airlines to make it easier to pay a variety of fees in advance, either through your travel agent or on their website. Source: United, Northwest and Spirit press releases

## HOTELS

### HOSPITALITY INDUSTRY CONFRONTS IMPACT OF ECONOMIC DOWNTURN

Occupancy and revPAR levels for U.S. hotels continue to decline through the first week of November (latest available data) though ten top markets posted brisk growth in occupancy levels, room rates and revPAR through October. Hotels in the United Kingdom as well as in Europe overall registered revPAR declines based on sliding occupancy levels. The hotel construction pipeline grew 28% worldwide at the mid-year point (latest available data) although signs point to a developing fall-off and in the U.S., the number of guestrooms under construction decreased by 5% in October.

## CAR RENTAL

### CAR RENTAL CUSTOMER SATISFACTION CONTINUES TO DECLINE

Customer satisfaction with renting cars at airports has declined considerably for a second consecutive year, according to the J.D. Power and Associates 2008 Rental Car Satisfaction Study. The study looks at six factors: costs and fees, pick-up process, rental car, return process, reservation process and shuttle bus/van. Overall satisfaction declines significantly from 750 points on a 1,000-point scale in 2007 to 734 in 2008. Staffing and operational cuts are hurting service, according to the study. Enterprise ranked highest for the fifth year in a row, followed by Hertz and Alamo. Source: J.D. Power press release

### AVIS BUDGET UPS RATES \$3 PER DAY

Avis Budget Group said it is upping its retail car rental rates by \$3 per day and \$20 per week at all airport and selected off-airport locations. The company said the rate increase was a response to escalating costs affecting the car rental industry. Hertz raised its rates in the U.S. and Europe at the end of October. Source: Avis Budget Press release

.....

### TRAVEL USING YOUR AMERICAN EXPRESS REWARD POINTS

Has the economy gotten you down? You can still plan a fabulous trip by using your American Express Membership Reward points for airline tickets, cruises, or tour packages! You can pay for all or part of your travel arrangements with the points you have. No seat restrictions or black out dates, and no need to transfer points or contact the airline directly. You must have an American Express Membership Rewards account with your American Express card. Call All Seasons Travel, the only travel agency in the area that can redeem your Membership Rewards points directly, for details and information for your next trip!

.....



## **SPOTLIGHT ON.....**

### **AIRLINE BAGGAGE FEES**

Airline baggage fees bug air travelers the most, but many consider general cabin ticket prices and fuel surcharge reasonable, according to a survey by the IBM Institute of Business Value.

- Seventy-eight percent of travelers consider airline baggage fees the biggest rip-off.
- Seventy-six percent considered additional charges to redeem miles another major rip-off.
- But 70 percent called general cabin ticket prices reasonable.
- Half considered fuel surcharges valid.
- Fifty-eight percent prefer to pay the lowest possible ticket price, sacrificing all amenities, including food.

Source: IBM press release

*All Seasons Travel is committed to providing you with useful information on the latest developments in the travel industry. The information in this newsletter has been compiled from a variety of sources and is updated and distributed monthly.*