

UNIGLOBE[®]
Travel

The Truth about Finding the Lowest Airfare



access more™

Travel is a very dynamic industry with millions of fare changes per day. With constant changes and updates it's not surprising that it's a tough task to find the lowest airfare. It requires significant time and effort to research and just when you think you've finally found the perfect fare, you are unable to book it for many reasons – The fare you selected is no longer available, blackout dates apply, fare not available from your preferred departure city, etc.

Understanding Airfares



- Yield Management:** It's all about supply and demand. Airlines utilize sophisticated systems to monitor the supply and demand for seats on each flight in order to maximize their revenue. They also monitor what their competition is offering. Their aim is to fill every seat at the highest possible yield and therefore dynamically change the number of seats available for each fare type. Because airlines have numerous fare levels on a single flight, and then change the number of seats allocated for each fare level several times prior to departure, the availability seen via online booking tools or onscreen by your travel expert can literally change within seconds.
- The Fine Print:** Many of the very cheap fares available on public/airline websites are designed for the leisure traveler and are not always conducive to business travel, or may not be in line with your corporate travel policy (i.e. nonrefundable seats or penalties for changes, restricted cancellation policies, requirements for a certain number of nights away, departure on a certain day, travel to include a Saturday night away, connecting rather than direct flights, etc.). Depending on your business commitments these may not suit your travel and won't have been recommended by your UNIGLOBE Expert.
- Lead-in Fares:** Sometimes the fares displayed on website homepages or travel agency shop windows are called lead-in fares: these are subject-to-availability marketing tools used to attract a traveler's attention and are not actually available at the time of booking due to nominal allocation.

How Airfare Pricing Works

Airfares are Dynamic Not Static! New distributions from the airlines don't always mean lower airfares. The new data can be a higher fare, changes in the fare rules which may make the fare more or less restrictive, or a cancellation to a previously filed discounted airfare.

Why Quoted Prices Change: Airlines, like any other business, want to maximize profits on each and every seat they sell, which is why you see so many daily airfare changes; they want to see how much YOU are willing to pay. Of course, this makes finding the cheapest airfare deal look a lot like rocket science, or at the very least look like following stock prices at any given moment in time.

Why Cheap Airline Tickets are Elusive: All air travelers want the cheapest price, but the reality is that timing of purchase and the source used is what ultimately determines the price. **When an airline has a sale, they don't put every seat on a plane on sale.**





UNIGLOBE Travel Experts talk about the hidden costs of travel

- **Time:** It takes a long time to plan a business trip, especially if you are being price sensitive. Shopping and comparing fares online can take valuable work time away from your employees. Is this how you want them to spend their valuable time?
- **Comparing Apples to Apples:** Many times when people spend the time to find a lower airfare outside of your travel program it is not for the same exact itinerary that is being booked through your UNIGLOBE Expert or online booking tool. As you read above about the dynamic nature of airfares, now you know the importance of comparing apples to apples when it comes to examining itineraries.
- **Finding a fare and booking a fare can be two different things:** Each public site functions differently. Just seeing a fare quoted online doesn't mean that it is available. You don't know what the airfare will actually be unless you book it, and with most public sites, you usually can't book it without purchasing it (i.e. giving them your credit card). By the time you've gotten that far, they tell you that the fare that you were drawn to isn't available for the flights that you've chosen. UNIGLOBE Travel's online research & booking tool only shows fares for the flights that are bookable at the time of search.
- **What UNIGLOBE Travel Experts can do:** When an employee believes that there is a lower airfare available encourage them to bring it to the attention of your UNIGLOBE Travel Expert. Providing a screen shot with the itinerary and price will save a lot of time and provide necessary information about what the traveler has seen, or If there is a valid fare offered on the web, check your UNIGLOBE agency website first and if you find a difference in the fare talk to your UNIGLOBE Travel Experts to determine reason for the difference.
- **Your company's travel policy:** When booking within your travel program, your UNIGLOBE Travel Expert works in compliance with your company's travel policy. Vendor offerings that are flagged as either in or out of policy help to ensure that your employees have the information that you want them to have to make informed choices and to remain compliant. Public sites do not have such restrictions, and companies have no control over what the employee books.
- **"Duty of Care":** When employees book outside of their organization's travel program there are security risks that must be considered. The employee's travel information is not included in the agency system and therefore will not show up in any traveler tracking products utilized in the event of an emergency, world event, or weather disaster.

- **24/7/365 Traveler Emergency Services:** When a traveler is stuck it is all too easy to break out the company credit card and pay whatever is asked to get to where they need to be. This is an area of huge financial loss for companies due to non-management of costs associated with airline and routing changes, not to mention the stress your traveler undergoes when on their own. With the UNIGLOBE 7x24 service, changes can be made and remain within your travel policy.
- **Traveler support:** When an employee books airfare on a public website for a lower fare the traveler is alone in dealing with any emergencies, changes to itineraries, or failure of a supplier to provide the contracted service. The traveler is on his own for refunds, exchanges, credits, etc.
- **Compromising the efficiencies of end-to-end solutions:** Organizations are utilizing end-to-end solutions that not only help in efficiencies of process, but ensure policy compliance throughout the life cycle of the trip. From pre-trip to post-trip, expense reporting, auditing, and reimbursement processes, allowing travelers to go outside of the company's travel program negates the goals of these solutions.
- **Keeping the big picture in mind:** A company cannot afford to run their travel program around a few tickets that someone says they can get cheaper someplace else.
- **Resisting a managed program:** Sometimes showing that they can get better pricing on a public website is an employee's way of resisting a managed travel program. Often employees are enrolled in frequent rewards programs and these may conflict with your organization's lowest fare policy. By effectively communicating your company's Travel Policy to your employees, you will have a much higher adoption rate, not to mention happier travelers!

