



maximize revenue opportunity  
optimize choice and value  
reach customers everywhere

# Sabre Air Merchandising

## Merchandising Trends

With the industry pressures of managing operating costs, increased competition, price sensitivity and challenges in reaching new customers, airlines are searching for

ways to differentiate their products in order to drive incremental revenue, improve yield and provide more value to consumers. Merchandising of ancillary products and services is an increasingly common strategy to overcome the current challenges. Three major trends in merchandising have emerged.

# Merchandising Trends

Flexibility and control provide travelers the choice of fares and products that best meet their needs, leading to increased customer satisfaction and loyalty.

## Bundled Pricing

With bundled pricing, ancillary products and services are included in the total ticket price. Fares can be categorized into families ranging from value fares with no additional services to premium fares with the greatest level of service and benefits.



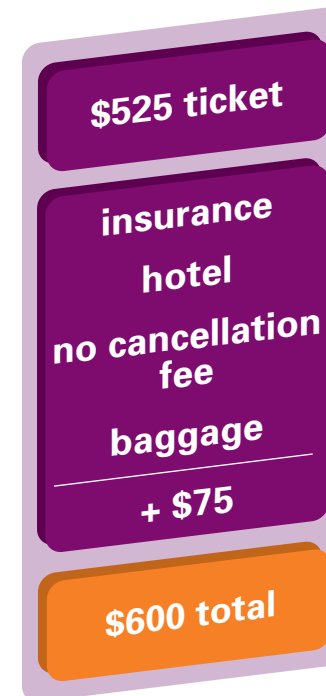
## Unbundled Pricing

When pricing is unbundled, ancillary products and services are not included in the total ticket price but are offered as "à la carte" options added to the base fare.



## Hybrid Pricing

Combining bundled and unbundled, hybrid pricing provides optimal flexibility and increased revenue potential with maximum cross sell / up sell opportunities.



# The Power Of Multi-Channel Merchandising

## Maximize Benefits And Value

*Sabre® Air Merchandising* lets you distribute your products and services across all channels — as compared to other solutions that only focus on the direct channel. A total-channel solution helps you achieve the highest level of success in terms of generating incremental revenue by offering the following key benefits:

## Maximize Revenue Opportunity

### Revenue and yield optimization

Merchandising enables you to remain fare competitive while creating an opportunity to generate incremental revenue through the sale of ancillary products and services.

**Operational efficiency** With integrated systems streamlined across airline operations and third-party distribution channels, products and services can be delivered efficiently via airline and agency workflows with control maintained by the airline via the *Sabre® Merchandising Manager* rules-based engine.

## Customer Choice and Value

**Enhanced brand value** With complete flexibility and control in the delivery of your merchandising offering, you can differentiate your offering from your competitors' and align your brand with a broader customer base.

**Traveler choice** With the ability to efficiently merchandise more choice in the levels of products and services you offer, you can provide a unique value proposition to every customer enabling them to choose the products and services they value most.

## Reach Customers Everywhere

**Multi-channel consistency** Seamlessly merchandise and distribute your products and services across direct and indirect channels, offline and online, while maintaining a consistent customer experience and maximizing the total incremental revenue opportunity.

**True global reach** Complement your direct-channel customer base and connect your merchandising strategy to the largest global travel marketplace with access to more than 57,000 agency locations, 3,000 corporations and 250,000 points of sale in 113 countries.

# Relevance Drives Revenue

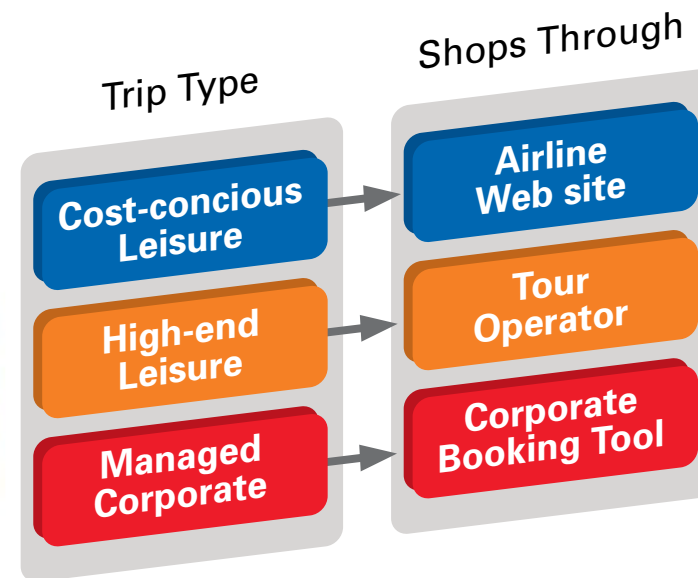
*Sabre Air Merchandising* is a multi-channel solution providing the highest level of success in terms of revenue generation by reaching more customers in more places. Customers will shop and book in multiple channels and typically match their trip type with the appropriate channel.

## The Channel-Jumping Info-Consumer

Age: 36

Likes: Trendy restaurants, theater, skiing

Travels: 6 business trips, 3 leisure trips



## Trip Targeting

When you understand your customers' reasons for travel, you can best determine which products and services they value most and are willing to purchase.

### Cost-Conscious Leisure

Merchandising Opportunity

Value Branded Fare

Rental Car

Travel Insurance

Hotel

### High-End Leisure

Merchandising Opportunity

Standard Branded Fare

In-Flight Entertainment

Premium Seating

Travel Insurance

### Managed Corporate

Merchandising Opportunity

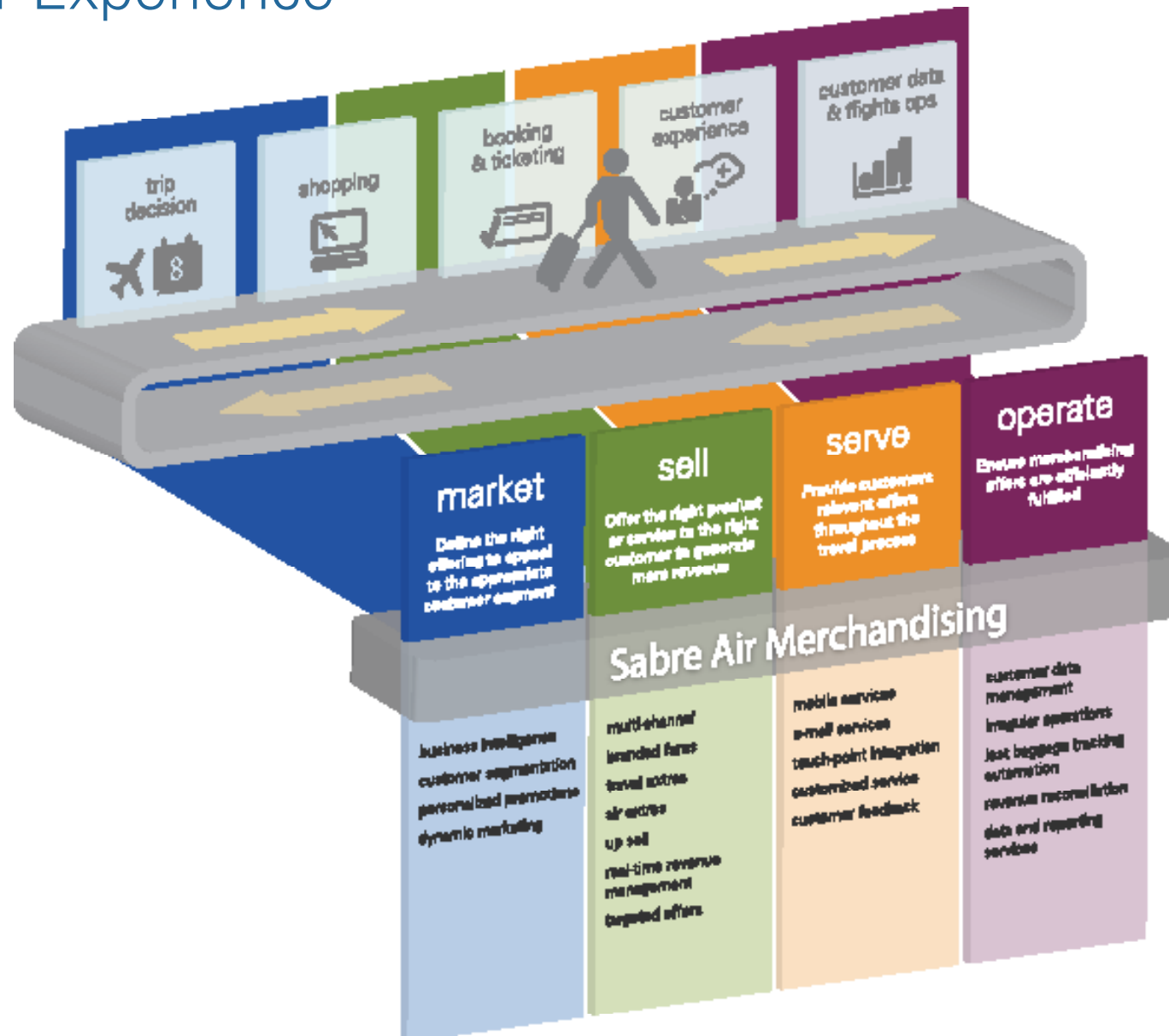
Flexible Branded Fare

In-Flight Meal

In-Flight Internet

Express Check-In

# Merchandising Throughout The Customer Experience





## Customer Sales And Service

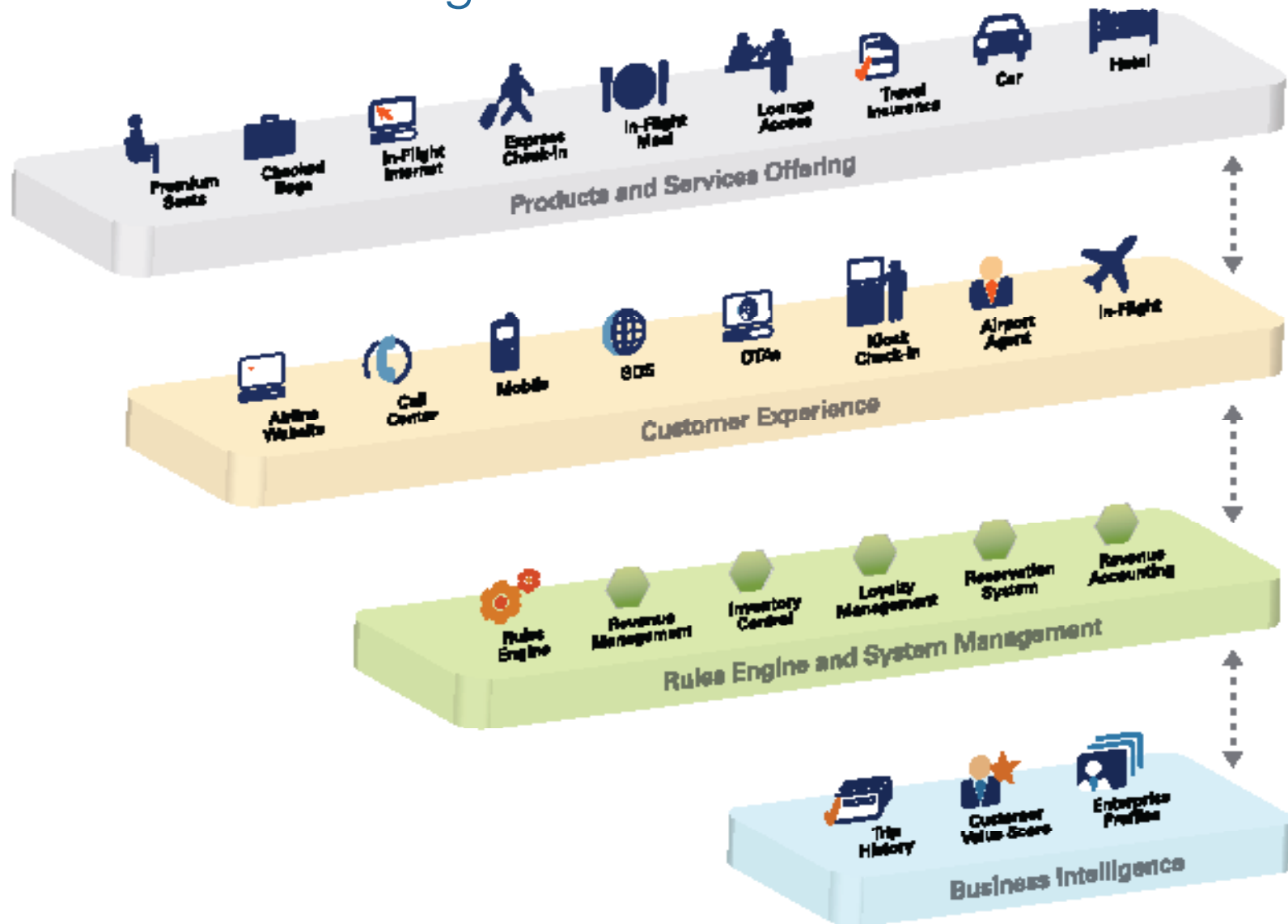
By integrating merchandising throughout the life cycle of the customer relationship, incremental revenue opportunities can be offered at multiple points including those beyond the traditional shop-and-purchase phase as you market, sell, serve and

operate. Every customer contact point is an opportunity to drive incremental revenue, enhance your brand and increase loyalty.

When information such as purchase history or travel preferences is utilized to create a dynamic customer experience, a personal relationship develops.

This promotes the highest level of success, enabling you to offer the right products and services at the right time for the right price.

# Flexible Technology Enables Tailored Merchandising



## Products And Services Offering

The right merchandising solution provides complete control and flexibility for any potential product and service offering. Whether your needs include bundling prices, unbundling prices, up-selling or a hybrid of all three, our solution finds the right offer for the right customer while minimizing operational impact during fulfillment. This approach maximizes revenue generation while fostering the customer relationship.

## Customer Experience

With rules and campaigns in place, customer experience is efficiently managed from pre-purchase decisions to in-flight and even post trip. Merchandised products and services are presented at every touch point, within all channels, providing multiple opportunities to cross sell and up sell. In addition, systems and agents have the information and automation needed to streamline operations and minimize impact to the customer.

## Rules Engine And System Management

At the core of the solution, a rules engine and systems management combine multiple applications utilizing shared services to coordinate a unified and flexible approach to the sales and operations environment. With the added power of a rules engine, campaigns can automate decision support, incorporating real-time revenue management in order to maximize merchandising opportunities.

## Business Intelligence

Business intelligence combines traveler data such as trip history and profile information to create a customer value score, which can be utilized to make optimum sales and service decisions throughout the life cycle of the customer relationship.

# Multi-Channel Success

*Sabre Air Merchandising* can be delivered across all channels to differentiate product consistently, reach more customers and drive more revenue.

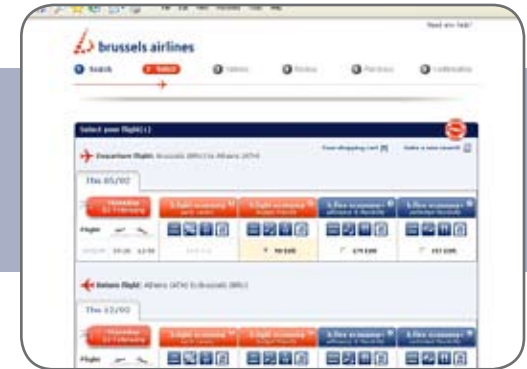
## Direct

Branded  
Fares

*SabreSonic Web*  
Airline.com



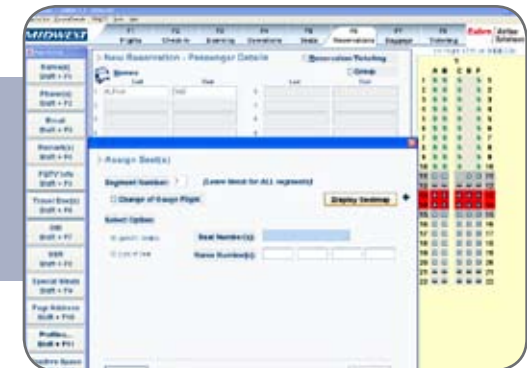
*SabreSonic Web*  
Airline.com



*Sabre Web Services*  
Airline.com



*Sabre Interact*  
Call Center Application



Preferred  
Seats





## Customer Success Stories

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“Our new Midwest Class offering underscores how we listen to what our customers want and meet their needs in a way that’s strategically beneficial for Midwest Airlines. Choice is a critical element in the marketing of all consumer products and services today, and we believe our customers will respond positively to this option.”

“*Sabre Holdings*<sup>®</sup> has been a real asset to Midwest Airlines and has played a pivotal role in helping us meet our operational needs.”

— Randall K. Smith  
Midwest Airlines, V.P. Sales and Distribution

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“Qantas is very pleased to be the launch partner for *Sabre*<sup>®</sup> branded fares and merchandising, this ground-breaking new capability developed by *Sabre Holdings* allows us to more effectively communicate the Qantas value to *Sabre Connected*<sup>SM</sup> travel agents and their travelers.”

“*Sabre Holdings* is to be commended for being innovative and keeping abreast of evolution in the increasingly competitive global aviation market place.”

— Peter Kelly

Qantas, General Manager Distribution Strategy

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# Sabre – Your Solution Partner

With many business units affected by the implementation of a merchandising strategy, the right solution provider should have a broad portfolio of capabilities across airline core systems as well as global distribution systems and third-party technologies. This extensive asset base and expertise provides a deep understanding of system interaction, which is required for a successful execution.

The use of standard communication protocols is critical in order to properly communicate and comprehend shared data across the core system platform. With the right information at hand, customers can be served efficiently so that optimum operational levels are maintained throughout the customer experience. This service-oriented approach also allows you to grow your merchandising capabilities over time.

Looking beyond development expertise, the right solution provider should also demonstrate industry leadership experience — more specifically, experience focused on business transformation with a strong foundation of consulting best practices. The benefits of this accumulated wealth of knowledge from a wide variety of environments helps minimize associated risks and ensures a smooth transition.

The right solution provider will also be the right partner; one who fosters an open and collaborative community environment in order to tackle challenges as a team versus overcoming challenges alone; a partner who can be counted on to not only deliver its own solutions but also work with your other technology partners to deliver a complete solution. *Sabre* can help you develop the right strategy and take you to the finish line.

# The Sabre Advantage

*The Sabre Advantage*<sup>SM</sup> combines these building blocks by providing our customers choice, experience, accessibility and flexibility.





Visit our Web site at  
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