

# ascend

Taking your airline to new heights

ON THE ROUTE TO RECOVERY

*A conversation with ...*

**James  
Hogan,  
President  
and CEO,  
Gulf Air**

INSIDE

19

Industry Showing  
Signs of Recovery

38

Low-Cost Carrier Model  
Continues to Evolve

79

Recent Breakthroughs  
in Revenue Management



# Channel Surfing

*A global distribution system can play a key role in an airline's cost-effective recovery by providing access to multiple channels of distribution throughout the world.*

■ By Jason Toothman | *Ascend Contributor*

**A**s airlines look to take advantage of the recovering economy and the increases in demand for travel, it's crucial that they maximize sales opportunities, especially for high-yield passengers.

Airlines can capitalize on the economic upturn by increasing their reach and driving their sales and marketing efforts. By doing so, they expose consumers to their product and enable them to interact in real time, effectively positioning their product at the point of sale.

One of the most effective ways of accomplishing these goals is by offering the product through a global distribution system that provides access to travel agencies worldwide. Studies have shown that the travel agency channel continues to produce travelers who generate the most revenue for airlines. By expanding reach and marketability, an airline can maintain a competitive advantage. Beyond providing a suite of revenue-generating and cost-saving products and services, partnering with a leading GDS helps deliver sales where an airline cannot afford to provide its own staff as well as provide access and visibility to key travel service providers.

"Distributing through the Sabre® global distribution system has allowed HMY Airways to extend our distribution reach by gaining access to nearly 60,000 connected travel agents," said Jeffery Chu, vice president of strategy and planning for HMY Airways, one of 40 airlines around the world that signed new participating agreements for the Sabre system in the past year.

Today, successful airlines rely on a full suite of distribution products, from basic reservations to the latest and most technologically advanced connectivity systems, as well as revenue maximization and cost management tools.

worldwide, with travelers in more than 115 countries purchasing their travel through the system during the past year. The system, relied on by more than 430 airlines to distribute pricing and product, is used by more travel service professionals and consumers for real-time schedules and other travel-related information than any other GDS.

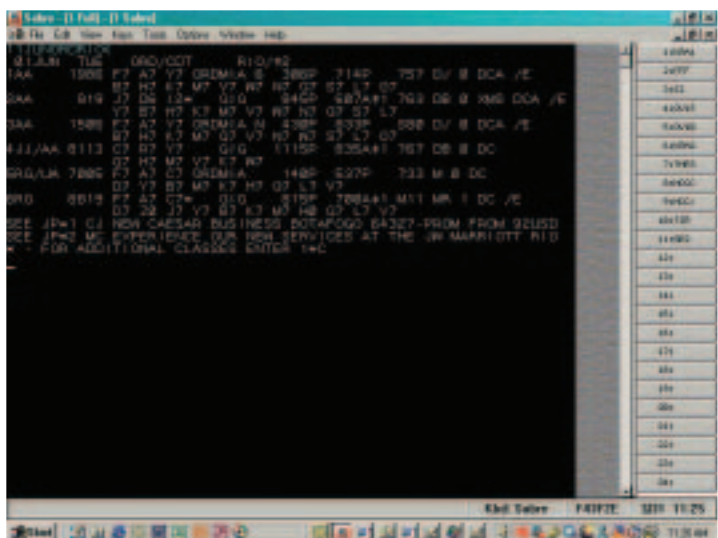
The market share leader in North America (45 percent), Latin America (53 percent) and Asia/Pacific (52 percent), the Sabre system provides many distribution options including:

- **Direct Connect Availability** — Maximizes sales and yields through interactive reservations between the GDS and airlines, enabling seamless, real-time access to inventory,
- **Basic Booking Request** — Enables carriers with limited distribution needs to achieve extended market reach with a low-frills tool that automates booking and scheduling,
- **Claim It** — Enables subscribers

to drive down client handling costs by processing an airline-created booking without having to call the airline directly,

■ **Electronic Ticketing** — Generates substantial savings and customer convenience by providing computerized storage of passengers' entitlements to travel, enabling the airline to dispense with the costly management of paper ticket documents.

The Sabre system provides many products to reduce costs and increase efficiencies within other critical areas of an airline such as alliance management. The Sabre® *Alliance Manager* is designed to help airlines



**Thousands of travel agents worldwide rely on the Sabre global distribution system to book travelers on airlines. Being included in such systems can help airlines increase their market reach.**

Carriers of all sizes, competing in all markets and geographic locations, have recognized the tremendous sales opportunities gained by utilizing multiple distribution outlets. A GDS that reaches many different channels such as full-service corporate, online travel agencies, leisure specialists, general travel arrangers, wholesalers and consolidators, supplier portals, cruise and tour companies, and consortium operators increases an airline's sales and marketing opportunities allowing it to take advantage of multiple revenue streams.

Participating in the Sabre system provides access to 60,000 travel agencies



Photo courtesy of Delta Air Lines

Delta Air Lines, which is participating in the *Direct Connect Availability — Three-Year Option*, a program that lowers booking fees in exchange for access to all fares, finds value in a global distribution system's operating efficiencies as a high-yield channel. A GDS, by providing access to travel agents around the world, can also provide tools to help manage costs, boost customer loyalty and achieve sales goals.

## THE HIGH • LEVEL view

News Briefs from Around the Globe

### Who

Pakistan International Airlines

### What

Enhanced its Awards+Plus frequent flyer program with the *Sabre® Traverse™* loyalty management system. PIA utilizes the *Traverse* system as a *Sabre® eMergo®* Web-enabled and dedicated network solution, an applications service provider model.

### Why

"With the addition of the *Traverse* system, we will be able to provide

Awards+Plus members with greater customer service than we could previously," said Alamzeb Afridi, general manager, marketing support systems for PIA.

"The partner profile and management aspects of the system enable us to add new partners and functionality to the Awards+Plus program, increasing the benefits and value of the program for our members. In addition, the *Traverse* system provides greater efficiency for our agents in terms of time required for processing member information and the ability to perform other duties."

Through the ASP delivery method, PIA eliminates the need for costly onsite implementation.

"The *Traverse* system's ASP interface relieves us of the burden of maintaining a costly infrastructure to support our loyalty program," Afridi continued. "Now we can maintain our entire program online. This type of automation is critical for PIA in our key international cities. Accessing these capabilities via the Web helps us better perform in today's highly competitive airline industry." [E](#)



Photo courtesy, HMY Airways



HMY Airways, a Vancouver, Canada-based international airline founded in 2002, recently decided to distribute its inventory through the Sabre global distribution system to extend its distribution reach to nearly 60,000 travel agents worldwide. HMY, which stands for "harmony," operates scheduled flights from Vancouver to Toronto, Los Angeles and Las Vegas as well as charter flights to vacation destinations in Cancun, Puerto Vallarta and Mazatlan in Mexico with its fleet of Boeing 757 aircraft.

leverage marketing agreements within the distribution channel.

The Sabre system, which provides the most comprehensive content with availability to more than 1 million city pairs, has recently been enhanced to include additional functionality:

- *Interactive Air* — Enables the fastest booking process between airlines,
- *Inventory Manager* — Efficiently processes high-value shopping and reduces data processing costs,
- *Group Management Tool* — Automates the manual process for booking groups and blocks of inventory.

As airlines continue their recovery,

controlling costs will remain a primary focus. To help control distribution costs and provide stable, long-term pricing, many airlines took

“The program ... allows us to further reduce distribution costs and reflects our confidence in the value of the Sabre system and its operating efficiencies”

advantage of the Sabre® Direct Connect Availability<sup>SM</sup> — Three-Year Option in 2003, which offers a reduced booking fee rate that is

fixed for three years in exchange for providing access to all fares including Web and promotional fares.

“The program ... allows us to further reduce distribution costs and reflects our confidence in the value of the Sabre system and its operating efficiencies as a high-yield channel,” said Lee Macenczak, vice president sales and distribution for Delta Air Lines. **E**

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## +count it up

**40 billion** Number of U.S. dollars paid annually by airlines to airport and air navigation service providers, according to IATA.

**19,971** Number of flight plans generated per day in the Sabre® AirOps™ Dispatch Manager and the Sabre® Flight Operating System.

**50,000+** Number of cockpit and cabin crewmembers around the world who are managed by the Sabre® AirCrews® crew management system.