

Savings Direct

New Direct Connect Availability Option Helps Lower Distribution Costs

■ By Ascend Staff

Airlines utilizing the *Sabre® Global Distribution System* now have a new option available to help lower the costs of distribution.

“By participating in the DCA, airlines are guaranteed the reduced booking fee rate for three years, as well as the fee for cancellations.”

Under the new Direct Connect Availability Three-Year Option, airlines in the Participating Carrier Agreement — which covers the distribution of airline content through the *Global Distribution System* — receive a booking fee reduction of approximately 10 percent, which represents an average of 40 cents per booking. In return, participating airlines agree to provide access to all their published fares, promotions and services, and commit to a three-year term at the highest level of participation in the GDS.

Eight carriers worldwide have already partnered with Sabre Travel Network for the DCA option enabling *Sabre Connected* travel agents, offline and online, to book all their content, including Web fares, through the GDS.

“As the Internet has evolved from a niche marketing tool to a mainline distribution channel, travel agencies and corporate travelers have become frustrated with the discrepancies among the various fares airlines offer online

versus more traditional distribution methods,” said B. Ben Baldanza, senior vice president marketing and planning for US Airways, which participates in the DCA option. “We are joining with Sabre Travel Network to respond to these concerns by eliminating the barriers and making Web fares available via all its channels. This move will allow us to better manage distribution costs over the term of the agreement.”

The three-year option is available to all airlines with U.S. points of sale, but the program will soon be expanded internationally. Current agreements typically cover only 30-day terms. In the *Global Distribution System*, DCA is the highest of six different connectivity levels. The levels provide airlines with a wide range of services to market and sell their flight and fare information to approximately 60,000 travel agents around the world.

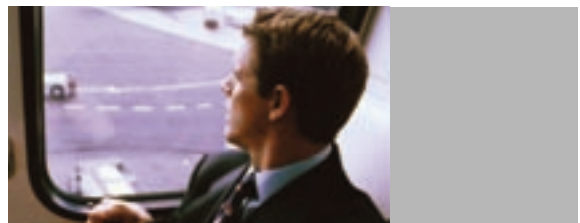
Through the DCA option, an airline agrees to provide all published fares with the exception of opaque fares (those where the supplier’s identity is not disclosed until after the sale). This includes all fares that the airline sells through any third-party Web site and through its own Web site and reservations offices. Additionally, the airline agrees to provide equal opportunities for *Sabre Connected* agents to have access to promotions that the airline may make available through other channels, including competing

reservations systems and third-party Web sites.

By participating in the DCA, airlines are guaranteed the reduced booking fee rate for three years, as well as the fee for cancellations.

The DCA provides several benefits for airlines, such as:

- The ability to offer travel agents seamless, “real-time” access to their inventory during the availability process,
- The ability to interactively display their complete inventory down to the last seat available in real time, eliminating the probability of any lost sales,
- The ability to easily integrate their content with their revenue management systems to maximize revenue potential,
- Long-term reduction in distribution costs,



By taking advantage of the DCA Option, airlines can market their fares to travel agents around the world and also lower their distribution costs.

- Price certainty in booking fees at the DCA level,
- Elimination of fare confusion for both corporate and leisure travelers,
- Increased sales opportunities,
- Seamless implementation (no technology development work required). ■