

# WHAT IS THE TRUE VALUE OF YOUR AIR PROGRAM?

Increase your negotiation leverage and drive transparency with Advito.



When you negotiate contracts with airline suppliers, you need to know the true value of the discounts and the benefits they're offering.

One factor that underpins the negotiation process is the market share you're ready to commit.

**It's critical to evaluate this factor as accurately as possible.**

## WHY?

Overestimate savings or share commitments and you'll fail to meet the expectations of your supplier partners and your leadership.

**Underestimate, and you'll leave money on the table.**

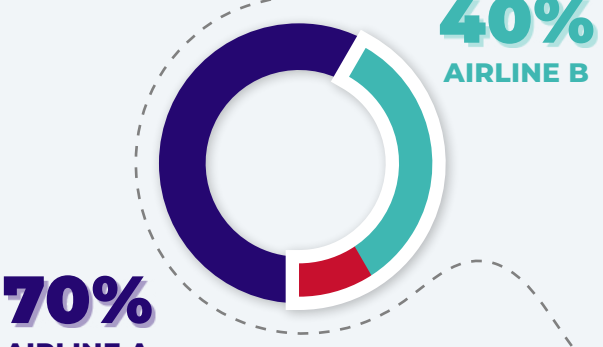
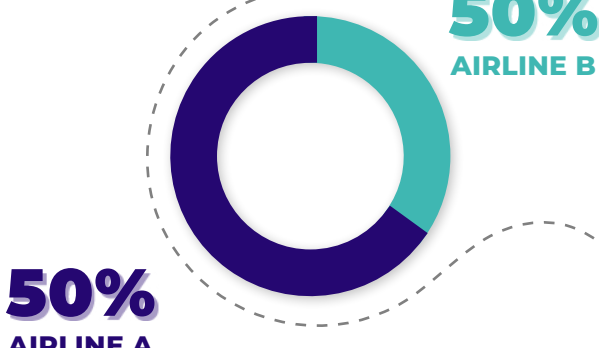
To help you assess market share, Advito developed an independent methodology designed to provide consistent measurement across carriers.

Advito's Quality Service Index (QSI) combats the carrier-centric fair market share (FMS) data typically provided by airlines.

**Let's look at an example of how this works:**

| Route: LON-MAD | Aircraft | Schedule | # of Seats |
|----------------|----------|----------|------------|
| Airline A      | A320 NEO | 8am      | 160        |
| Airline B      | A320     | 11am     | 160        |
| Airline B      | A320     | 2pm      | 160        |
| Airline A      | A320 NEO | 6pm      | 160        |

If we just look at seat share, it looks like Airline A and Airline B each have **50% market share**.



There is no industry standard FMS calculation, so each airline's methodology can slightly differ. **That's why market share sometimes adds up to over 100%!**

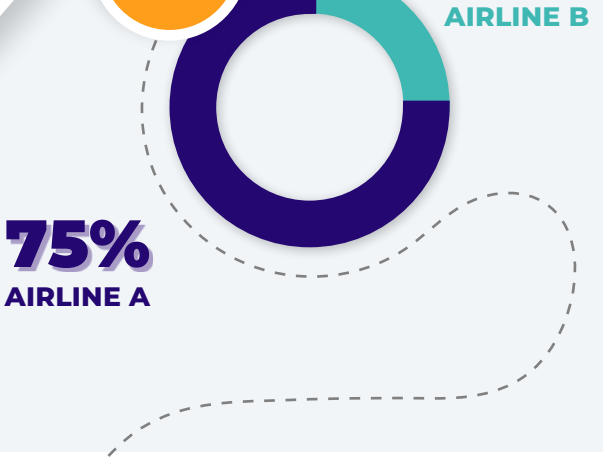
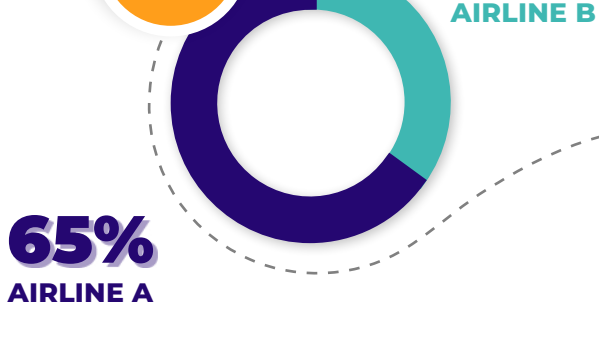
Advito is normalizing the data, using one methodology to drive consistency across different airlines.

We know that seat share alone is not enough to determine how attractive an airline's offering is to business travelers. That's where Advito's QSI comes in.

**Our algorithm looks at:**

- arrival and departure time
- ⌚ number of stops
- 📅 day of the week
- 🕒 flight duration

If we account for factors that more closely align with business traveler needs and preferences, Airline A has a higher QSI.



Taking it one step further, we integrated aircraft environmental performance into the data to create the industry's first eQSI – or environmental quality service index. The eQSI highlights the power of corporate buyers to accelerate the industry transition to reducing business travel emissions.

If we incorporate the carbon efficiency of each airlines' fleet into our calculation, market share shifts again.



**The QSI and eQSI provide a more complete view of market opportunity by incorporating schedule attractiveness and environmental performance, helping establish realistic market share expectations and support more informed supplier negotiations.**



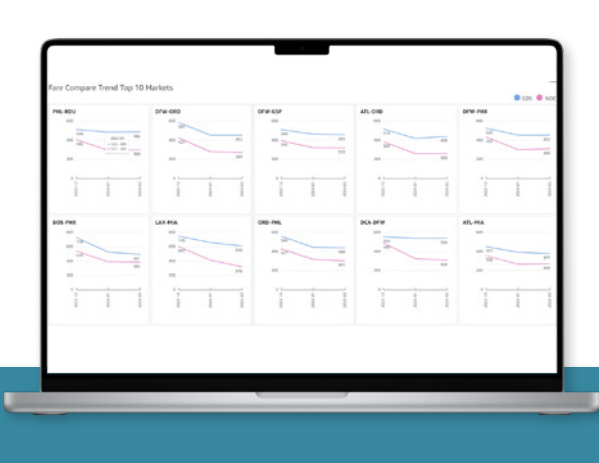
You spent a significant amount of resources negotiating a program that will yield savings, be attractive to your travelers, and drive value to your organization.

Just one problem. **How do you know that the fares will be available for your travelers when they go to book a trip?**

With airline revenue management tactics and prices constantly fluctuating, how can you really understand the value of your preferred program? It starts with the right data.

Advito's Airfare Predictor is designed to look into the future to see if what you negotiated will actually be available for your travelers to book. We collect publicly available airfares on a daily basis for **over 800 routes, representing over 35 million transactions per year**. This data includes information on taxes and fuel surcharges, making the total cost of any flight completely transparent.

With insights from the Airfare Predictor, you can **deep-dive into advanced booking trends**, update your travel policy with recommendations driven by data, and achieve your air program savings and cost avoidance goals.



**800+ TOTAL ROUTES = 35M+ TRANSACTIONS PER YEAR**

With all this data in one place, the **Airfare Predictor uses predictive analysis to shop airfares 4 months into the future.**

The predictor's shopping behavior mimics the business traveler – searching by day of the week and length of stay – so the data is relevant to travel managers.

## Assess the true value of your negotiated fares

The Airfare Predictor puts you back in the driver's seat. Negotiating deals on rates that will actually be available in the future to your travelers need them is the key to a successful strategy.

Using the tool, our air experts can help you easily see when a particular booking class has low availability, so you won't waste your time trying to get a deal. Plus, with access to transparent pricing, you can make more data-driven decisions.



For most corporate travel programs, air travel is the biggest expense, and we know that only **40% of negotiated airfares are competitive** versus the benchmark.

**The Airfare Predictor compares fare options to identify the most cost-effective.**

You'll be able to communicate those options to your travelers, reducing spend throughout the year and increasing leverage as you approach supplier negotiations.

Transparency on New Distribution Capability (NDC) fares is critical to assessing new savings opportunities. The Airfare Predictor analyzes both NDC and EDIFACT data, giving you a comprehensive view of airline pricing to help you decide if you need an NDC feed in your program.



## Achieve savings with advanced booking insights

Most travel managers have standard advanced booking policies across their program, and airlines know it.

Their dynamic pricing strategies look at future demand, and often work against the static policies you've put in place with your travelers.

The Airfare Predictor provides the transparency you need to deep dive into advance booking trends, allowing you truly understand when your travelers should book to get the best deal.

**For one client, we uncovered that by shifting just 50% of their intercontinental flights between North America and Europe by 7 days, they would save \$300k.**

## Influence traveler behavior and drive booking decisions

You can build a best-in-class corporate air program, but if you're travelers don't know how to use it, you won't see any return on your investment.

Advito's proven traveler engagement strategies can translate insights gleaned from the Airfare Predictor into meaningful communications designed to drive booking behaviors.

From integrating targeted messaging directly into the online booking tool, to creating multichannel marketing and communications campaigns, traveler engagement will help you power up your traveler experience and drive satisfaction.



**Ready to get started building a data-driven air strategy?** [CONTACT US](#)