



Airlines

Passenger Numbers Up Internationally

Despite the gloomy financial outlook, more people are flying, according to the International Air Transport Association's latest figures. Passenger demand rose globally 6.1 percent in April over April 2011, which is higher than the 20-year average. Load factors are up, too, since airlines—especially U.S. carriers-- are managing capacity so well. International travel was up the most—7.4 percent. North American carriers saw only a slight increase—1.6 percent, down from a 5.3 percent increase in March. European air carriers saw a 5.9 percent growth in passenger demand, which was down from 8.7 percent in March. The Asia-Pacific region and Middle East Also saw strong growth. Source: (IATA.)

Airline Profits Tighten

Airlines are getting better at managing capacity and demand, but it's still tight financially for them. The nation's ten biggest airlines reported a 1.5 percent profit margin for the fourth quarter, down 3.2 percent from a year earlier, according to the Department of Transportation. Large airlines as a group have reported an operating profit margin in each in the last three quarters. American Airlines, which is the last airline to restructure under bankruptcy, reported a loss, as did United Airlines, which is in the process of merging with Continental Airlines. (Source: DOT)

Paying More for Seats

It could get tougher to avoid getting stuck in that middle seat without paying an extra fee. Some airlines charge you for the ability to pick your own seat. But some of the larger carriers are increasing the number of seats that they're holding for premium flyers. This means that on some airlines, you can pay for a seat for more legroom, but you can also pay to get a window or aisle seat or a seat closer to the front of the plane. Airlines are also introducing a new economy class, one that is a little cheaper but gives you even less flexibility when it comes to changing your flight or choosing seats. Delta Air Lines is doing this on some routes where it competes with the ultra low-cost carrier Spirit Air. (Source: News reports).

Mixed Response to Inflight Phone Service

A survey by flight comparison site Skyscanner finds that most airline passengers oppose in-flight phone calls, with 86 percent saying it would be annoying. The survey results followed reports that Virgin Atlantic will offer inflight phone service on A330s flying between New York and London. The service is pricey--\$1.60 per minute—and it will only work with certain types of phones. No talking on take-off, landing or within 250 miles of the U.S. So much for one of the last sanctuaries from being forced to listen to others' cell phone conversations. (Source: Skyscanner)

More Long-Haul Service Offered From Washington Reagan

You'll soon be able to fly transcontinental flights from Washington Reagan International Airport thanks to legislation that authorized new beyond-perimeter slot exemptions allowing some carriers to fly beyond what had been a 1,250-mile route limit out of Washington Reagan. Alaska Airlines will fly to Portland, Ore.; JetBlue Airways to San Juan, P.R. Southwest Airlines to Austin, Texas, and Virgin America to San Francisco. (Source: DOT)

Hotels

What You Want From Your Hotel

You're back on the road and checking into hotels—but they have to deliver the experience that you want, according to consulting company PwC U.S. and its Experience Radar 2012. What's most important to you: fixing things when they go wrong and room amenities. Style, décor, flexible cancellation policies and rewards for frequent stays are important, too, but resolving issues that arise is paramount, whether you're a business traveler or a leisure traveler. And, expect hoteliers to pay attention to these findings—the study also shows that 95 percent of guests talk about their hotel experiences, both good and bad. Hotels know you can be their brand ambassador.

If You're Traveling More, You're Not Alone

Americans intend to travel more this summer than last summer—and not just on vacation. The latest D.K. Shifflet & Associates quarterly travel intentions survey finds that fewer than 20 percent plan to travel less or spend less than they did last year. Among those planning summer trips, both business and leisure travelers say they will travel more days and spend more money this year than they did last year. This bodes well for travel in general but particularly leisure travel, which has been growing steadily but still lags behind corporate travel, according to Cheryl Schutz, vice president of the company.



Spotlight On...

Managed vs. Unmanaged

Travelers in mandated travel programs are less successful on the road than those who are not managed at all or lightly managed, according to the new The Global Business Traveler Study 2012 released by the Global Business Travel Association. The study found that travelers in mandated programs work hard to stay in budget and be compliant. But they do so at the price of their personal life and comfort and can be exhausted from the travel and in-transit hassles. The study says more needs to be done to help these travelers plan and have travel choices that don't overburden them. Among the study's findings:

- *Twenty-one percent of U.S. business travelers are in mandated programs; a third are unmanaged, with no guidelines; and 47 percent have guidelines but are only encouraged to use preferred providers or follow policy.*
- *U.S. road warriors work hard and more needs to be done to help them plan and reduce stress while they're in transit.*
- *More needs to be done to make sure travelers have choices that don't overburden them.*
- *Travelers need to be able to change their itineraries while traveling to avoid hassles.*

“Companies need to provide the technology, support and education to make business travelers more comfortable and productive so they can stay focused on business-critical goals” says Rajeev Singh, president and COO of Concur, which sponsored the study.