

# GLOBAL FARE SOURCING NOT ALL FARES ARE CREATED EQUAL

ATPI's global head of specialist fare sourcing Gary Hance details the intricacies of the energy, offshore and marine fares market and how to access the best available fare for your business

**The evolution of specialist fares for the offshore and marine industry has been quite remarkable. If we look back to the beginning where the concept originated in Greece for the shipping industry, airlines identified the need for specialist fares for crews to meet their specific needs. The industry was looking for significantly reduced fares, tickets flexible and refundable enough that they could be adjusted to suit delays or changes of port. Plus an increased baggage allowance to accommodate the fact that crew would be away for several weeks or even months.**

A number of airlines including Air France, British Airways and KLM were pioneers of specialist reduced fares for the industry in the late 1970's and really grasped the specific needs of the market, playing a key part in its development and facilitating access of crews from Asia and Eastern Europe.

Over the years many other carriers have recognised the opportunity provided by the marine and energy industry. These are not 'road warriors' or executives attending meetings. They are 'go to work' travellers, their schedules governed by crew rotations, port schedules and voyages planned months in advance.

Initially only available to marine businesses, these fare programmes have expanded in their eligibility, with the offshore industry added to cater for rotational travel as well as allowing engineers, geologists, even helicopter pilots in some cases to qualify. Simply put, travellers will be eligible if travelling to work on an offshore installation including drilling rigs, production platforms and in some cases land rigs. Airline regulations differ and it is essential to check the criteria for the carrier you are considering.

Airlines police eligibility and will often ask travellers at the check in desk questions to support the use of a particular fare type. Often travellers have to be in possession of a letter from the employer confirming their job role, the name of the ship or installation they are travelling to and the port of registration where applicable. Only a small number of agents are entrusted with these fares by the airlines, specialists such as ATPI must justify their inclusion in these programmes on a

regular basis. Agents must complete certain fields when booking travel, and must be able to provide the supporting documentation when asked.

**What are the options for accessing global fares including specific industry and corporate fares?**

It's no secret that airlines yield management programmes offer different fare levels in different markets, globally only very few carriers have gone to single global pricing. Pricing is often controlled at the local level, with fares only being available in a local market and a different cost structure in place for the same seat if bought elsewhere.

Accessing this variable content is not easy, and after all the airlines want to keep it that way to maximise their income. A TMC such as ATPI Griffinstone using a single Global Distribution System (GDS) gives an opportunity for global customers to leverage local content, avoiding centrally managed businesses from being disadvantaged by air fare variances. To support this ATPI have invested in a global fares database which presents our staff with both global and local fare opportunities at their fingertips, as well as a system to view flight availability in each market, thus offering a comprehensive overview of both price and availability.

Often large corporations want to negotiate and control their own deals for high density routes but even this should be done in conjunction with the TMC providing a benchmarking or comparison service. When it comes to secondary and tertiary routes TMCs have an important role to play in accessing optimal deals and the best available prices for air fares. And for medium to large size corporations who do not have high density deals in place the ability to globally source airfares is extremely



important for cost control management. That is where the benefit of a specialist TMC with access to all deals available in many different markets reaps significant rewards.

It is important to have an agent who will have high volumes in locations all around the world to access the best fares and have strong local awareness in the specific markets.

Airlines, TMCs and corporations need to work together to ensure the right solutions are offered for the particular specialist niche markets of energy, offshore and marine travellers. And it is back to basics. Eligibility for these specialist fares has to be properly and vigorously checked; it is not in the industry's interests to utilise fares inappropriately, abuse of the system will only drive up costs. We are working in collaboration with a number of airlines to ensure that vigorous checking of eligibility is in place so that the system is not abused. New technology recently introduced will make sure eligibility is correct and check eligibility on a greater frequency at the airport.

The development of new technology such as ATPI CrewLink, an integrated technology platform that interfaces with HR and crew management systems, aids travel policy compliance and ensures that travellers correct documentation is automatically stored.

Airlines then have instant electronic access to check traveller eligibility. This technology will also help drive and control deals. The processes in place will ensure airlines are comfortable that the fares are going to the right people and corporations know they are getting the best deals in the market.

Airlines historically were not so focussed on the offshore and marine travel markets but as traffic volumes and revenues have increased there has been significantly more interest in the sector. This is now developing further as the industry needs change.

We have seen a positive evolution of airlines identifying opportunities to supply specialist energy, offshore and marine fares and this has become global with airlines and TMCs working together to identify demand.

However the access to the inventory has become more fragmented. Not all content is available via all GDS's which raises compliance issues and the new NDC potentially could further fragment access to content. Corporations therefore need to have strict control on travel policy but TMCs need to make sure they are working with airlines to negotiate the right deals globally and not just in key markets for the industry.

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