



Asia

LIVE WEBINAR

USING LOYALTY SCHEMES TO MAINTAIN BRAND AWARENESS DURING THE COVID-19 PANDEMIC

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A large commercial airplane is shown from a low-angle, front-facing perspective, flying directly towards the viewer. The aircraft is white with blue accents on the engines and tail. It is positioned in the upper half of the frame. Below the plane, a runway stretches into the distance, with a bright sun setting or rising on the horizon, creating a strong lens flare and illuminating the scene. The sky is filled with soft, colorful clouds in shades of orange, pink, and blue. The overall composition is symmetrical and dramatic.

What's Next for Airline Loyalty?

Mark Ross-Smith

Key Discussion Points

1. Communication to loyalty members
2. Elite status management
3. Preparing for tomorrow and coming out of the crisis

#1 Goal for Airlines + Hotels

The primary concern for all airlines, hotels and loyalty programs right now – Cash Preservation

Loyalty Programs must balance the demand from members, and the needs of the company

- Increased non-air redemption (ie: gift cards)
- Near zero flight redemptions
- Near zero flight revenue
- Significantly reduced non-air revenue



Member Communication Playbook

How brands communicate with members is critical in times of crisis

Best practice from around the world:

- Reassure members that management is aware of the state of play and are looking after members best interests
- Re-iterate health, safety, and employee wellbeing
- Remove uncertainty from members lives around gift vouchers, miles expiry, elite status



Brand Awareness

Has the role of brand awareness changed? What do members expect?

Few Loyalty Members are not thinking about airline loyalty

- Will I get a refund on existing tickets?
- Will I lose my miles if the airline is bankrupt? Devaluations?
- Will I keep my elite status for 2021?

Stay away from 'core airline marketing'

- Don't try to sell tickets or run promotions for ticket sales
- Don't promote other travel brands (ie: hotels)
- Stay away from risk



Elite Status Extensions

* As of 14/April

Less than 50% of Asian-Based Airlines have announced status extensions

Upfront extensions *		Lowered Qualification	Drip-feed status credits
Iberia	American	British Airways (30%) Emirates (20%)	Japan Airlines (2x earning) ANA (2x earning) Cathay Pacific (monthly allowance) Etihad (monthly allowance) Air Serbia (monthly allowance)
Qantas	SAS (12mo, some members)		
Qatar	Shenzhen Airlines		
Alaska	Singapore Airlines		
Air Canada	Thai (some members)		
Air china	Finnair (6mo)		
Air NZ	LATAM (6mo)		
Copa	Aegean (6mo)		
TAP Portugal	Air Baltic (6mo)		
United	Air Europa (6mo)		
Aeroflot	Virgin Atlantic (6mo)		
Delta			
Virgin Australia			
Azerbaijan			
El Al			

Elite Status Extensions

* As of 14/April



4 of the **14** member airlines have not extended status



12 of the **32** member airlines have not extended status



9 of the **21** member airlines have not extended status

36 of the **52** notable, non-alliance airlines have not extended status

Overall: 50% of notable airlines have not announced any changes

Elite Status Extensions

What's the thought process behind elite status extensions?

- Members unable to requalify by flying
- Immediate, positive PR boost
- Removes anxiety from members, one less thing to worry about
- If a competitor extends, and you don't... what next?
- 2020 is a write-off for flight activity

Important to address:

- Members who have flown in the past 3 months, deserve special consideration (additional benefits?)
- Members who already qualified/retained status in 2020
- Members who may not want or need elite status in 2021
- Behavioural impact of blanket extensions for entire base

Preparing for tomorrow

What role will loyalty play in the comeback?

- Network and route strategy
- Pricing and inventory
- Marketing strategy for 3, 6, 9, 12 months

Loyalty Programs Must Go Above and Beyond

- Members will remember how you treated them now
- Members will demand more from your loyalty program
- 2x or 3x miles promotions may backfire
- Business as usual is not an option... get creative
- Perfect timing for loyalty transformation



	time	gate	remarks
BRUSSELS	16:00	13	EXPEC
PARIS	16:15	01	DEPAR
FRANKFURT	17:00	12	CLOSI
LONDON	17:35	04	CHEC
FRANKFURT	17:55	02	CHEC
VIENNA	18:05	01	CHEC
BRUSSELS	18:20	12	CHEC
LONDON	18:25	05	CHEC
MUNICH	18:30	10	CHE
PARIS	18:45	11	CHE
COPENHAGEN	18:45	13	CHE
ZURICH	19:00	02	CHE

Travel Loyalty – Helping the Industry

The Travel Loyalty Industry needs our help

Invitation for Brands, Vendors, Suppliers and Start-ups to submit their way of assisting the industry in times of need.

When brands assist the travel loyalty industry, the companies can more easily justify keeping on staff to execute on revenue generating and cost-saving projects.

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