

SOFTWARE COMPANY SAVES US\$4.4M

WITH NON-REFUNDABLE TICKET RECOVERY DURING COVID-19

Challenge

Prior to the COVID-19 shutdown, the client held 2,500 non-refundable tickets, worth US\$1.8 million. Due to the pandemic, the client was left with an additional 4,800 tickets from cancelled flights, worth US\$3.1 million, totaling US\$4.9 million on file for future use.

Approach

BCD Travel agents refunded, exchanged and extended as many tickets as possible. Then, a dedicated COVID-19 recovery team worked with the carriers to refund and recover the remaining unused tickets.

Results

Through the combined efforts of the agents and the recovery team in 2020 and 2021, BCD achieved a total cost avoidance of US\$4.4 million in refunds, exchanges and extensions, representing a 90% savings to date.

BCD's client, a market leader in enterprise application software, spends US\$280 million in air travel with 400,000 tickets per year globally. Prior to the COVID-19 shutdown, its U.S. division held 2,500 non-refundable tickets (NRT), valued at US\$1.8 million.

The customer at a glance

Industry: Technology & IT

Presence: 140+ countries

Number of employees: 102,400

2019 annual revenue: US\$27.3 billion

CHALLENGE

When the pandemic caused most flights to be cancelled, the U.S. division was left with an additional 4,800 tickets valued at approximately US\$3.1 million, totaling US\$4.9 million on file for future use.



Value of tickets on file
prior to COVID-19 shutdown

US\$1.8M

APPROACH

Initially, BCD's agents reviewed all tickets to determine if refunds could be made based on various and ever-changing rules. Some of the carriers allowed refunds and/or expiration extensions, not only for COVID-19 related tickets, but also for tickets previously on file or expired.

Agents refunded or extended as many tickets as possible but were left with many that couldn't be refunded, exchanged, or extended. For the tickets receiving a year's extension, agents knew it wouldn't be possible to use them all due to the ongoing pandemic.

BCD established a dedicated COVID-19 recovery team for the client. The team worked with the carriers to convert the remaining unused tickets to electronic tickets (ETCs), miscellaneous charge orders (MCOs), and UATP cards; get fee waivers; and extend expiration dates even further, ensuring the value of the tickets could be used by anyone within the company, not just the person for whom the original ticket was issued.

BCD's CTSS team runs a daily NRT report for possible exchanges. They normally only consider tickets that will expire within 180 days. To increase the client's exchange opportunities, the dedicated recovery team reviews a daily ticketing report and compares it to all tickets on file (also those that expire beyond 180 days) to check for possible exchanges in case there are no tickets within 180 days expiration that can be used instead.



Additional value on file
from cancelled flights

US\$3.1M



Tickets on file for future use

US\$4.9M
Total value

RESULTS

In 2020, through the combined efforts of the agents and the recovery team, the refund and recovery process resulted in savings/cost avoidance of US\$3.6 million in refunds, exchanges and expiration extensions.

In 2021, the team successfully converted another 1,000 tickets (approx. value of US\$820K) to refunds and extensions.

Of the total US\$4.9 million on file, BCD achieved a total cost avoidance of US\$4.4 million in refunds, exchanges and extensions, representing a 90% savings to date.



**Cost avoidance in refunds,
exchanges and extensions**

US\$4.4M
Total savings