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## **Spring Offers Opportunity to Build Traveler Engagement Programs; Advito Predicts Modest Rise in Global Hotel Rates and Stable Airfares in 2017 Industry Forecast Update**

**CHICAGO, March 14, 2017** – The spring travel outlook brings good news to global corporate travel and procurement departments, according to the [quarterly update](#) to Advito's [2017 Industry Forecast](#), issued last fall by the travel industry's most progressive consultancy. There are new opportunities to strengthen traveler engagement programs; airfares will fall or remain flat in most market segments; and expected rises in hotel rates have diminished in some markets, with lower prices now predicted for the Middle East.

"While there is relative travel price stability around the world, it's an ideal time for companies to turn their attention to other ways to impact travel program performance besides supplier management and policy changes. It's time to influence traveler behavior by applying tried and true digital marketing practices to your travel program," says Vice President, Jeroen Hurkmans. Travel managers should be using the same tactics on their travel programs that retailers use to influence consumer behavior.

"Just as every travel program has a business plan, they should also have a marketing strategy specifically designed to support those goals," says Advito Principal and Vice President Bob Brindley. "That marketing strategy should not only push information to travelers to help them make better buying decisions, but also solicit their feedback as well. Travelers are more likely to engage with a program that makes them feel valued and listens to their feedback."

The consultancy's parent company, BCD Travel, developed a white paper, "[Get Engaged: Empowering Travelers to Make Smart Buying Choices](#)," that offers additional information.

In addition to spotlighting opportunities around traveler engagement, Advito's March Update addresses specific global travel trends for hotel and air:

### **Hotel Trends**

Advito changed its hotel rate forecasts for three regions:

- In North America and Africa, the upper limit for the forecast range has been lowered, meaning prices should not rise as much as previously anticipated.
- In the Middle East, softer demand is coinciding with increasing supply. With rates now expected to decrease in Oman, Qatar, Saudi Arabia and the U.A.E., Advito changed its rate outlook for the region from a previously predicted rise of 2% to 4% to a drop of -3% to -1%.

Overall in the hotel sector, these revisions offset one another and the global rate outlook remains the same.

## **Air Trends**

Global air travel demand continues to strengthen, with traffic growth hitting a 10-month high of 8.8% year-over-year in December 2016, according to IATA. A pick-up in the economic cycle is supporting international air travel, although the performance of key domestic markets is mixed. The capacity growth that low oil prices encouraged has pushed down average fares in many markets. Airlines are trying to stabilize prices, and may soon resort to capacity adjustments to get some upward movement in pricing in 2017.

- Notably, Advito lifted its prediction for regional business travel fare increases to 2% for North America and the Middle East. It also revised its outlook for Latin America intercontinental economy fares to a 1% decrease.
- In the Middle East, per the original forecast, airline expansion will ensure that economy fares fall this year. Yet due to strengthening demand, Advito has adjusted its regional business fares forecast for this market, changing the predicted rise from 0% to 2%.

## **Economic Growth**

The outlook for the world economy is holding steady. A small improvement in the outlook for advanced economies has offset a downgrade in growth forecasts for some emerging markets.

## **Oil Prices**

The original oil price assumption of US\$50 per barrel has not changed.

## **About Advito**

Advito is the travel industry's most progressive consultancy, enabling procurement leaders to modernize their approach to managing the travel and meetings spend category. Led by a unique team of multi-disciplinary experts and thought leaders, we work with both clients and suppliers to push the boundaries of traditional air and hotel sourcing and strategic meetings management for higher program returns. We provide advisory, procurement and outsourcing services in the area of corporate travel sourcing, expense and meetings management, along with RFP development and management; benchmarking and vendor management services. We minimize our clients' travel spend and maximize their travel program value in a data-rich, consumer empowered world. Headquartered in Chicago, Advito operates in key business markets around the world. For more information, visit [www.advito.com](http://www.advito.com).

## **About BCD Travel**

BCD Travel helps companies make the most of what they spend on travel. For travelers, this means keeping them safe and productive, and equipping them to make good choices on the road. For travel and procurement managers, it means advising them on how to grow the value of their travel program. In short, we help our clients travel smart and achieve more. We make this happen in more than 100 countries with more than 12,000 creative, committed and experienced people. And it's how we maintain an industry-leading client-retention rate of 97%, with 2015 sales of US\$23.8 billion. For more information, visit [www.bcdtravel.com](http://www.bcdtravel.com).

## **About BCD Group**

BCD Group is a market leader in the travel industry. The privately owned company was founded in 1975 by John Fentener van Vlissingen and consists of BCD Travel (global corporate travel management), Travix (online travel: CheapTickets, Vliegwinkel, BudgetAir, Flugladen and Vayama), Park 'N Fly (off-airport parking) and joint ventures Parkmobile International (mobile parking applications) and AERTrade International (consolidating and fulfillment). BCD Group employs over 13,000 people and operates in 100+ countries with total sales of US\$ 25.4 billion, including US\$ 10 billion in partner sales. For more information, visit [www.bcdgroup.com](http://www.bcdgroup.com).

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