

## NEWS RELEASE

### **Advito: Oil surplus to continue suppressing air prices; virtual collaboration, 'alternative' payment, on-demand services are topics to watch**

**CHICAGO, March 8, 2016** – Advito's latest update to its forecast of key economic trends affecting the travel industry finds reason to expect most airfares and hotel room prices globally will remain flat or decline in 2016. The global business travel consultancy provides forecasts in seven major regions for regional and intercontinental flights in business and economy classes, as well as projections for average daily hotel rates and economic growth assumptions.

In addition to its focus on projected prices affecting travel costs, Advito's March Update to its 2016 Industry Forecast also identifies three trends likely to capture the interest of corporate travel managers:

- A renewed embrace of virtual collaboration technologies
- The ever increasing popularity of payment mechanisms beyond credit cards
- Corporate interest in on-demand services beyond rides and rooms

Given the current environment of low oil prices and a projected stagnation in both demand and capacity, Advito expects most airfares will remain flat or decline in 2016. Regional exceptions include rising intercontinental fares in some Latin American markets and the Southwest Pacific.

For hotels, Advito's latest analysis has led the business travel consultancy to adjust previous forecasts for two regions (assuming payment in local currency). Advito has lowered its predictions for European hotel rates to 1%-3% instead of 2%-4% as previously forecast. Predictions for Latin America hotel rates increase 2%-4% from 3%-5%, driven by rate increases in Argentina and Chile.

Advito's annual Industry Forecast and quarterly updates help corporate travel buyers establish cost baselines for negotiating discounted corporate rates with travel suppliers. In addition to publishing its findings on global airline fares by class and hotel rates by key markets, Advito also educates corporate travel buyers to emerging trends in travel technology, pricing and marketing that affect travel program costs and effectiveness.

Advito predicts that virtual collaboration, alternative payment and on-demand services will attract significant attention among corporate travel buyers in 2016. Improved technologies, as well as concerns about costs, risk, work-life-balance and the environment are driving a renewed consideration of virtual collaboration as a useful travel alternative. Advito will explore the topic further in a soon-to-be-released white paper.

[The Advito 2016 Industry Forecast](#), released in September 2015, features special sections on travel risk and security, Airbnb, hotel program innovation and Lufthansa's distribution cost charge.

Advito's trusted advice on travel risk and security has been of particular interest to travel managers following terrorist attacks in November on civilians in Paris.

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### 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. For executives, we ensure that the travel program supports company objectives. In short, we help our clients travel smart and achieve more. We make this happen in 110 countries with more than 11,000 creative, committed and experienced people. And it's how we maintain an industry-leading client-retention rate of 96%, with 2014 sales of US\$24.2 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 12,500 people and operates in 110 countries with total sales of US\$ 25.6 billion, including US\$ 10 billion in partner sales. For more information, visit [www.bcdgroup.com](http://www.bcdgroup.com).