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## NEWS RELEASE

### **Global hotel rates will climb while air fares remain flat in 2017; capacity driven by low fuel costs to offset increase in air demand, keeping ticket prices in check, projects Advito**

**CHICAGO, Sept. 13, 2017** – Global air fares should remain flat while global hotel rates are expected to increase around the world by between 0% and 5% in 2017, according to travel consultancy Advito's newly released [2017 Industry Forecast](#). Despite a modest rise in demand, savings from low fuel prices will sustain airline profitability even with added capacity aboard their fleets.

Advito publishes its annual Industry Forecast to give travel and procurement managers a range of projected prices they can use to benchmark success against key performance indicators and to prepare for supplier negotiations and budgeting. The forecast includes supply, demand and pricing trends for air, hotel, meetings, transportation and ride-hailing for all major regions in the world.

Global business class fares on average will rise only modestly in 2017, up to 1%, and economy fares will remain flat. However, travel buyers should expect greater variation in fares from region to region. For example, regional business fares will range from flat (in Europe and Latin America) to 3% increases (in Asia and Southwest Pacific). Meanwhile, intercontinental economy class fares should fall slightly everywhere except Europe. Advito expects little change in regional economy class fares with 2% reductions in Latin America.

Hotel rates will increase in all regions in 2017, led by North America, Advito projects. Rates in the U.S. and Canada are expected to climb by 3% to 5% with slightly smaller increases for hotels in Mexico. The Southwest Pacific and the Middle East also will see a rise in hotel rates due to insufficient supply and strong demand. In Europe, a modest economic recovery and little new supply will push up rates by up to 2%.

In addition to its pricing forecasts and buying strategy recommendations for air, hotel, meetings and ground transportation for each major region of the world, Advito's 2017 Industry Forecast also includes discussions of:

- Travel risk and security
- Hotel direct booking
- Alternative accommodations
- Ride hailing trends
- Artificial intelligence
- Air fare price restructuring
- Hotel mergers

- Hotel dynamic pricing
- Effect of Brexit on travel
- And more

The [Advito 2017 Industry Forecast](http://www.advito.com) is available at [www.advito.com](http://www.advito.com).

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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 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).