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PRESS RELEASE

CORPORATE TRAVEL REBOUNDING MORE QUICKLY THAN ANTICIPATED, ACCORDING TO ADVITO'S Q2 UPDATE TO 2010 INDUSTRY FORECAST

Average global airfares rising; hotel category remains buyer's market

ATLANTA, July 8, 2010 – Corporate travel is rebounding more quickly than anticipated in most regions of the globe, but the European markets continue to lag, according to a [second quarter update](#) released today to the *2010 Industry Forecast* published by BCD Travel consulting unit Advito.

Increased demand for air travel combined with flat growth in capacity is resulting in an upward climb in airfares – though disparities exist among individual regions. Meanwhile, a slower rate of recovery among advanced markets and an abundance of room capacity in emerging markets is keeping hotel rates down. The full report includes airline key performance indicators broken out by region and predictions for hotel average daily rates by region and top markets.

Other key findings in Advito's Q2 update to the 2010 Industry Forecast include:

- Premium travel on transatlantic and transpacific routes is increasing, while business fares on regional flights appear to be a dying product
- Ongoing concerns about the European economic situation and governmental austerity measures are suppressing demand and fare evolution in both the air and hotel categories
- April's volcanic eruptions brought new emphasis to the importance of duty of care initiatives and traveler communication and the value to corporate programs of strong partnerships with suppliers and travel management companies

Advito's revisions to the *2010 Industry Forecast* are based upon a reassessment of economic parameters on which its initial forecast was based, as well as, an analysis of year-over-year booking data from the previous quarter. In addition to its revised outlook, the second quarter update provides a high-level view into recent industry and market developments that may have an impact on corporate travel buyers.

Advito believes worldwide increases in airfare are likely to be sustained so long as airlines maintain their capacity discipline and economic growth in North America and Asia-Pacific continues to outweigh concerns among European Union members over national currency and debt problems. "If



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those problems escalate into a Europe-wide crisis, worldwide business travel could take a second dip globally, but right now buyers should budget for the likelihood of higher air costs," says Advito Vice President Bob Brindley.

Key findings in Advito's *2010 Industry Forecast Q2* update for specific categories include:

Outlook on Air

- In North America, Advito saw a 20 percent year-over-year increase in demand in this region during the first quarter of 2010, leading to upward revisions of 3 percentage points to all airfare categories with the exception of regional business class.
- In Asia-Pacific, following a fast exit from the recession driven by buoyant growth in China, Advito now predicts that 2010 airfares will increase by 4 to 7 percentage points over previous forecast figures across all categories of travel.
- In Europe, Advito sees a continuing fall in regional demand leading to a drop in regional economy class airfares and is adjusting its forecast from a slight increase to a net decrease.
- In the Middle East, significant excess capacity continues to leave carriers struggling to fill seats, leading to revised projections for intercontinental business class (from a 3.5 percent increase to a 2.5 percent increase) and regional economy class (from a 2 percent increase to a 1 percent decrease).

Outlook on Hotel

- As predicted in the original forecast, 2010 will remain firmly a buyer's market for corporate hotel programs.
- Economic recovery continues to be gradual – or to stagnate – in many key markets, especially in advanced economies; in emerging markets, whose economies are recovering more robustly, hotels are still increasing their supply through the completion of building projects commissioned during the boom years.
- Advito is revising 2010 Average Daily Rate (ADR) predictions downward for: major European markets, based on sluggish home economies, rising deficits, a weakening euro and softening regional air traffic; Brazil/Mexico/Argentina, where the originally anticipated recovery has been slow to manifest itself; India and the United Arab Emirates, where significant additional capacity is continuing to come online in 2010.
- Despite growing demand, corporate transient prices remain depressed due to the impact on hotel occupancy rates of a significant drop in meetings demand. The meetings market is beginning to rebound from its very depressed level in 2009, but is still well below 2008 levels.



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Car Rental Outlook

- An ongoing battle between Hertz and Avis Budget to acquire Dollar Thrifty will likely reduce the U.S. rental car landscape to three major players – but Advito predicts that buyers will see little pricing impact regardless of the outcome.

Key Industry Development: The volcano's legacy

- April's volcanic eruptions brought new emphasis to the importance of duty of care initiatives and traveler communication and the value to corporate programs of strong partnerships with suppliers and travel management companies.
- IATA reports that the volcanic activity resulted in a 2.4 percent decline in global passenger demand compared with April 2009, disrupting the pace of monthly air traffic improvements – but that this development is a hiccup rather than a new directional trend.

Advito's Q2 update to the *2010 Industry Forecast* is available in the Resource Center at www.advito.com.

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Notes to editors:

About Advito

Advito provides travel-management advisory, procurement and outsourcing services that guide clients through a complex travel environment. Advito's focus on consulting delivers proven value, unbiased counsel and a customized approach for every client and every engagement, together with industry expertise and access to data to drive quantifiable decision-making. Advito is headquartered in Atlanta, and operates in key business markets around the world. Advito is an independent operating unit of BCD Travel, the world's third-largest travel management company, owned by BCD Holdings N.V. For more information, visit www.advito.com.

About BCD Travel

As a leading provider of global corporate travel management, BCD Travel simplifies and streamlines the business of travel. This benefits the organization on every level: from the bottom line to the business traveler. BCD Travel operates in more than 90 countries, with US\$14.6 billion in total sales and a combined worldwide work force of 10,800 people. BCD Travel is a BCD Holdings N.V. company. For more information, visit www.bcdtravel.com.

About BCD Holdings N.V.

BCD Holdings N.V., a Dutch family-owned company founded in 1975 by John Fentener van Vlissingen, is a market leader in the travel industry. The BCD Holdings companies are BCD Travel (global corporate travel management), Park 'N Fly (off-airport parking), TRX (travel transaction processing and data integration), Airtrade (consolidating and online travel), VakantieXperts (leisure), Vayama (online travel USA) and Parkmobile International (mobile parking and traffic applications). BCD Holdings employs approximately 13,000 people and operates in more than 90 countries with total sales, including franchising, of US\$ 14.8 billion. For more information, visit www.bcd-nv.com.