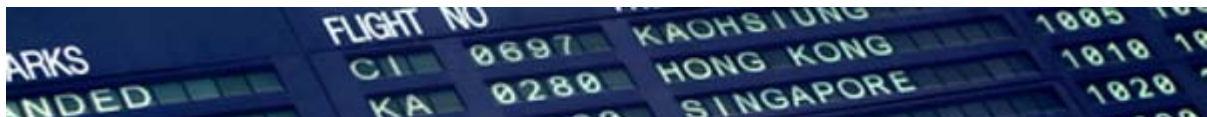




Frequent Flyer news released on April 13, 2010

Based on the weird announcements, we've already feared bad things, but they've turned out to be even worse. **Finnair Plus** did not only increase most award levels slightly on April 01, but especially reduced partially also point credits in a massive manner. Like that, one continues to receive a bonus of 100% in Business Class only on *Finnair* flights - on all other partners, the bonus has been cut to 25%. And in Economy Class, the cheapest fares on some important partners are now only good for points corresponding to 25% of the distance flown. In sum, it takes thus simply twice as many flights as before in order to get a free flight in many instances. As an example, rather than 7.7 roundtrips as previously, it now takes 15.5 (!) Business Class flights on *British Airways* between London and New York for an award flight on the same route. In face of the financial difficulties at Finnair, it might have been a better idea to choose customer loyalty over customer losing as solution?



We praised Aeroflot's **Bonus** program as recently as last month - a little bit too early... Apparently faced with massive fraud cases, the program has introduced two major changes: On one hand, a maximum of ten awards can now be transferred to other persons per calendar year. Since this restriction doesn't apply to Gold members, it has only limited practical relevance and is acceptable. Much worse, however, is the second restriction: In order to be able to use an award at all, one has to record at least one flight with *Aeroflot* or *Nordavia* during the past 24 months. This makes Bonus the only program of one of the three alliances worldwide with such a restriction. It seems that the only Russian carrier in one of the alliances has not yet really understood the system of alliances. And while we are aware of the fraud issue, there are definitely more intelligent solutions than punishing the whole Frequent Flyer world in a post Soviet attitude.



During the strike of the cabin crew at British Airways in March, easyJet showed its face of megalomania: Gold members of the **Executive Club** were offered a complimentary Speedy Boarding and Priority Check-in on *easyJet* flights. Not only there is an unwritten rule between airlines not to exploit strikes, accidents etc. of competitors to its own benefit, but to believe that a Speedy Boarding equalises the advantages of an Executive Club Gold card witnesses of a deeply disturbed perception of reality. It is a shame that easyJet doesn't focus its forces on introducing finally a Frequent Flyer Program! And it can only be assumed, based on the following extract of actual arrival times (taken from the *easyJet* homepage), how amused customers, who are used to decent service, a Frequent Flyer Program and on-time performance, were if they really switched to easyJet, e.g. on March 22...

Due	Flight number and route	Status
11:40 6905	Edinburgh - Geneva	Landed 15:53
13:05 1918	Alicante - Manchester	Landed 14:36
13:55 7869	Madrid - Tangier	Landed 14:38
13:55 2408	Malaga - London Luton	Landed 14:34
14:00 5233	London Gatwick - Pisa (Tuscany)	Estimated 17:11
14:10 5224	Naples - London Gatwick	Landed 14:33
14:10 7184	Malaga - Liverpool	Landed 14:32
14:25 8824	Malta - London Gatwick	Estimated 19:45



EuroBonus has adjusted the award levels for hotel awards. This would not really be worth being mentioned if SAS hadn't mocked at its customers in such a manner with the corresponding announcement: One should be happy since only one price would apply now, i.e. awards on weekdays would no longer be more expensive than on weekends. But - the former higher weekday price is now the new standard with most partners, which will even be increased further on June 01 in some cases... At an average of 20,000 points per night, the value of such awards should be questioned sceptically. A further change is the fact that credit with most hotel partners operating on a credit per night basis has been limited to a maximum of three nights per stay. A new partner are the *Missoni* hotels, a newcomer to the world of Frequent Flyer Programs, which only recently launched its first partnership with the program of bmi british midland, **Diamond Club**. On the other hand, *Sol Meliá* hotels have left EuroBonus.



Aeroplan members in Canada continue to receive not only bonus miles with several retail partners and gas stations until May 09, but especially also a voucher for a 15% discount for an *Air Canada* flight after having used three of the participating partners. This discount can be used for a reservation for up to four persons for flights worldwide and remains valid until December 15.