LUFTHANSA OFFERS DIRECT BOOKING SAVINGS AND AGENTS AREN'T HAPPY

News / Airlines

As Lufthansa Group airlines get ready to charge more for bookings made outside direct channels, travel agents will end up passing the extra fee along to their clients.

Lufthansa Group's EUR16 surcharge is still set to go into effect on September 1, despite intense backlash from booking sites and travel agencies.But what does all this mean for travelers?

Flyers booking directly on Lufthansa Group websites or at airport ticket counters and service centers will see no difference in the fare.

Lufthansa, Austrian Airlines, Brussels Airlines, and Swiss airlines flights will likely be about US$18 more expensive if booked through a travel agency, including online travel agencies.

The fee is non-refundable, so if a traveler is rebooked from one Lufthansa flight to another by an agent, the fee is paid twice. The fee is even non-refundable on "fully refundable" fares.

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Corporate agents will either move bookings to competing airlines or continue to book Lufthansa flights regardless, creating a negligible effect on business travelers.

The fee will not apply to bookings that originate in Brazil, China, Hong Kong, Iran, Libya, New Zealand or Yemen due to legal restrictions.

A recent email from global distribution system (GDS) Sabre to travel agents and other business partners suggests that agents will pass down the additional fee to their clients. The fee will be included in the total price shown during shopping and booking.

Sabre confirmed to Skift that its systems will show Lufthansa's fares, including the fee, and "will not take any action to move Lufthansa flights lower in the Sabre Red display," says spokesperson Heidi Castle.

Travelport, another GDS, will handle the surcharge in the same way.

"This will ensure the Lufthansa Group price increase is visible to all our travel agency customers at the time of shopping, thereby enabling agents and consumers to make informed travel choices," a Travelport spokesman told Skift. "Meanwhile, we will continue engaging with the Lufthansa Group on this topic, in the hope that they will reverse their decision and remove their price increase on the intermediary channel."

A poll of members by the Global Business Travel Association (GBTA) found that half of corporations who currently offer Lufthansa as a preferred carrier plan on decreasing their spending with the airline group.

"It is a direct price increase to managed travel programs with no corresponding benefit," states the GBTA. "It could also ultimately lead to decreased price transparency if carried out by not only Lufthansa, but other airlines in the industry."

More than half of those polled also said they intend to drop Lufthansa as a preferred carrier in future negotiations.

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