



## Travel Industry Update

December 11, 2020

### Delta CEO asks employees to take more unpaid leave in 2021 as industry continues to struggle

- Delta Air Lines CEO on Wednesday asked employees to sign up for more unpaid leave with a slump in travel to continue into 2021.
- More than 40,000 Delta employees have opted for unpaid leaves of absence at the company's urging. Roughly 18,000 accepted buyouts and early retirement packages, cutting Delta's pre-pandemic head count by about 20%.
- The Transportation Security Administration said it screened 501,513 people at U.S. airports on Tuesday, the fewest since July 4 and about a quarter of the 1.9 million people the TSA screened a year ago.

### Delta bans 700 passengers for not following mask policy during pandemic

- In a memo this week, Delta Airlines' CEO told staff nearly 700 passengers have been placed on the no-fly list in 2020 for refusing to comply with policies requiring masks on planes.
- This is a sharp increase from the 460 banned passengers the airline reported in October. Delta and other airlines have been adding mask rule-breaking passengers to the no-fly list since early in the pandemic.

### United launches virtual, on-demand customer service at the airport

- Aside from wearing masks, one of the biggest pandemic-era changes to the travel experience has been the push to minimize touchpoints.
- The latest initiative, dubbed "Agent on Demand," comes from United. This innovation is designed to help passengers get answers to day-of-departure questions without physically queuing for a gate agent.
- For now, the new service is available in Chicago (ORD) and Houston (IAH), and it will roll out to United's other mainland hubs — Denver (DEN), Los Angeles (LAX), Newark (EWR), San Francisco (SFO) and Washington D.C. (IAD) — by the end of the year.
- There will be large QR codes for customers to scan to access a virtual agent. The web-based platform will then connect travelers to an agent stationed in a remote workspace at the airport and will offer three ways to connect — chat, call or video. While the agents will communicate in English, the chat feature will offer a translation function for more than 100 languages.
- Unlike calling the traditional 1-800-UNITED1 (1-800-864-8331) number, these virtual, "on-demand" gate agents are empowered to answer a wide range of timely questions pertaining to seat assignments, upgrade and standby lists, flight status, irregular operation assistance and more.

- This will both help minimize the wait for a physical gate agent, while also allowing that agent to focus on other critical pre-departure duties. So long as United doesn't reduce the number of gate agents assigned to a particular flight, this initiative should be considered a win-win for both employees and passengers.
- United confirmed that the wait times to speak to an agent on demand will vary, with calls prioritized based on departure time and urgency of the inquiry.
- Only time will tell whether the virtual agent system is practical and useful, but United already piloted the technology at ORD and IAH and says it has received overwhelmingly positive feedback.



### **Bye-bye costly fees: United, Delta join American, Alaska in ditching change fees on international flights**

- United Airlines and Delta Air Lines are joining American and Alaska in permanently eliminating costly change fees on international flights.
- The new policies, announced Wednesday, will be a boon for travelers who need to change their plans after airlines' flexible pandemic travel waivers go away – traditional change fees on international tickets were as high as \$500 per person on some routes.
- But, as with major airlines' elimination of change fees on U.S. flights in August, there is a major catch.
- Basic-economy tickets, airlines' cheapest fares, will remain nonrefundable and nonchangeable. And for all tickets, fare differences apply. So if you need to make a last-minute change to that cheap round-trip ticket you nabbed from New York to London, you'll be on the hook for the current ticket price, minus the price you paid.

- Airlines have made all tickets, including basic-economy tickets, flexible throughout the pandemic, but those are temporary policies. Airlines say the change fee elimination is permanent.
- Delta was thinking about a change in change fees even before the coronavirus pandemic. In a January interview with USA TODAY, CEO Ed Bastian said: "When you think about our fee structure, I think there's fees in there, and change fees are part of that, that people feel are punitive."
- Ticket change fees, like bag fees and seat-selection fees, have become big business for airlines. U.S. airlines collected \$2.8 billion in change fees in 2019, according to the federal Bureau of Transportation Statistics. Through the first nine months of 2020, they collected \$799.7 million, compared with \$2.1 billion in the same period in 2019 given the waiving of change fees and fewer travelers.

### **British Airways to expand transatlantic Covid-19 testing trial to more routes**

- British Airways has announced plans to expand its recent transatlantic Covid-19 testing trial in partnership with American Airlines and Oneworld.
- According to BA "Many customers have expressed interest in having the testing trials expanded to more routes", and as a result the trial has been expanded to include flights BA208 between Miami and Heathrow, and BA112 between New York JFK and Heathrow.
- It means that a total of five daily transatlantic flights to Heathrow from the four US gateways of Dallas Fort Worth, New York JFK, LAX and Miami will now participate in the trials.

### **Train travel between Switzerland and Italy has been suspended due to Italy's health requirements for passengers**

- On Dec. 10, train travel between Switzerland and Italy was suspended due to Italy's health requirements for passengers.
- Italy's current state of emergency will remain in effect until Jan. 31, 2021.

### **Relieved passengers leave Singapore cruise after COVID-19 scare**

- A Royal Caribbean "cruise-to-nowhere" from Singapore began disembarking its nearly 1,700 passengers who were confined to their cabins for more than 16 hours on Wednesday after a COVID-19 case was detected onboard, forcing the ship back to port.
- All passengers aboard the Quantum of the Seas had cleared a mandatory polymerase chain reaction (PCR) test for the virus up to three days before the four-day cruise began on Monday.
- Authorities said close contacts of the COVID-19 patient among the 1,680 guests and 1,148 crew members on board had so far tested negative. The passengers were stuck in their rooms while contact tracing was being conducted.
- Two further tests from the patient have come back negative for COVID-19 infection, the Singapore Tourism Board (STB) said. Another test will be conducted on Thursday to confirm his infection status.