



Industry Outlook

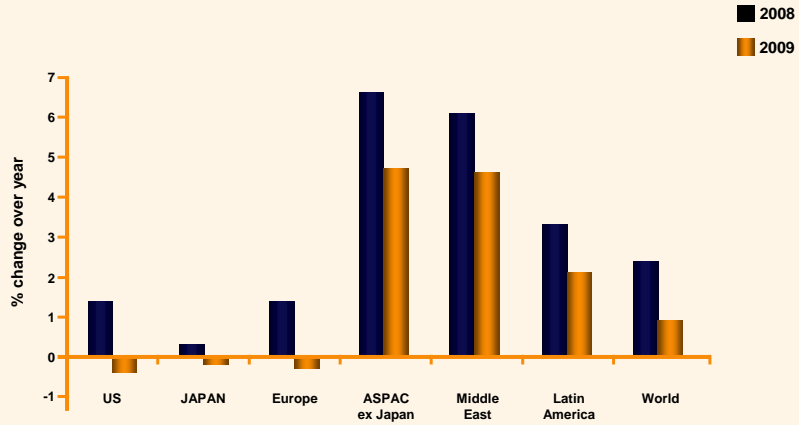
Danny Hood
President, BCD Travel Americas

Agenda

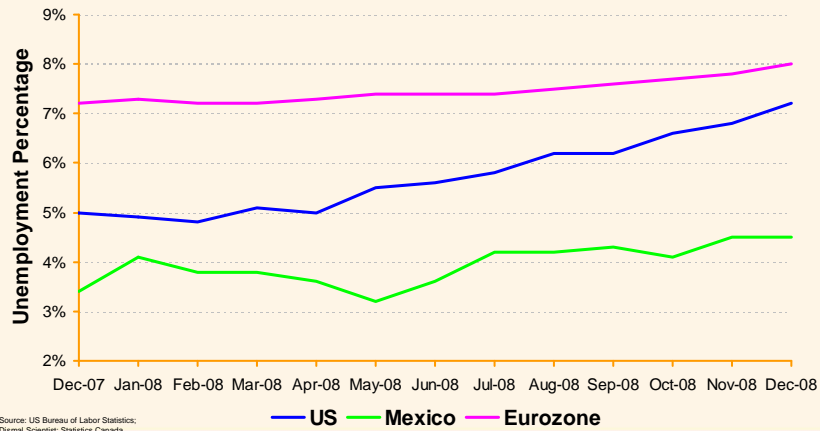
- World Economy/Latin America
- Airlines and Hotels
- Effects
- Outlook



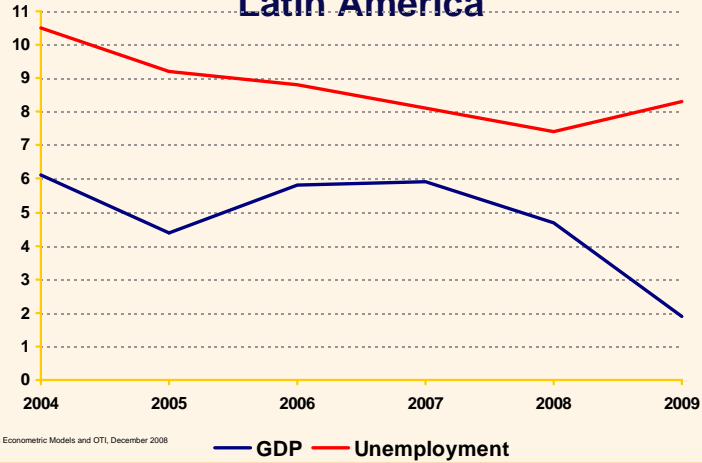
Forecasts for GDP growth



Unemployment rising in most major economies



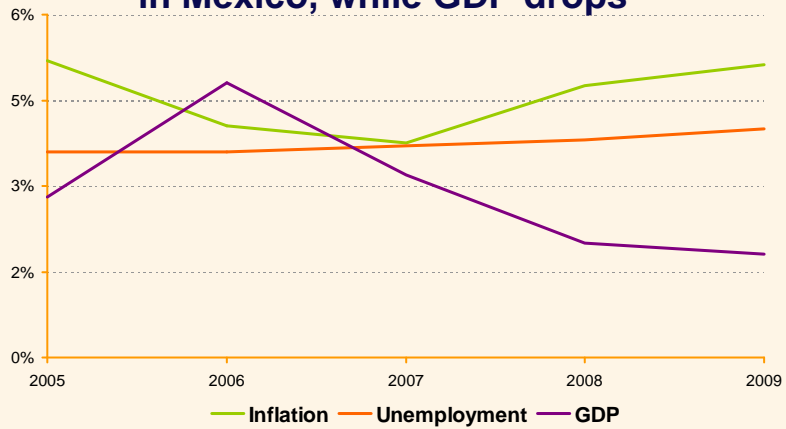
Unemployment and economic outlook in Latin America



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Unemployment slowly rising in Mexico, while GDP drops



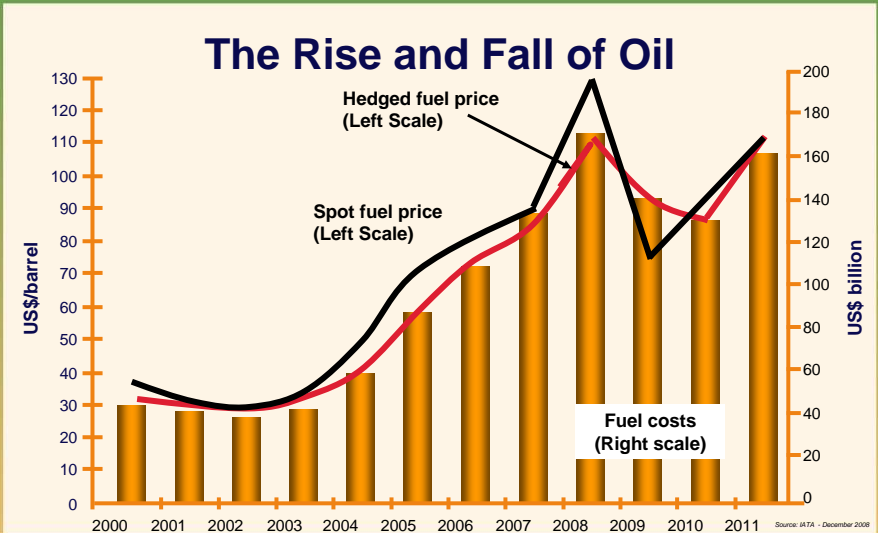
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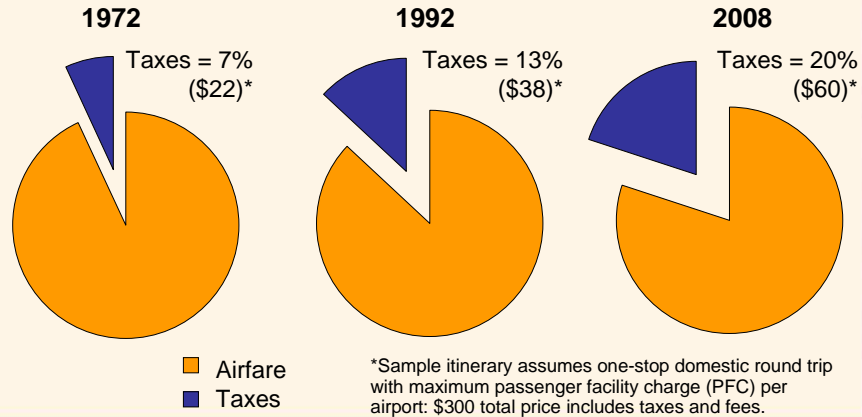
Airlines



The Rise and Fall of Oil



Government taxes/fees on \$300 ticket* have nearly tripled



2009 Airfare Forecast Update

Regional average net fare outlook	Oct 2008 [% change]	Jan 2009 [% change]
North America intra-regional	8 to 10	2 to 5
North America intercontinental	8 to 10	-1 to 4
Asia Pacific intra-regional	2 to 4	2 to 4
Asia Pacific intercontinental	7 to 9	5 to 8
Latin America intra-regional	8 to 10	5 to 7
Latin America intercontinental	8 to 10	6 to 9
Europe intra-region	3 to 5	2 to 4
Europe intercontinental	5 to 7	3 to 5



Source: Adviso

Recommend buyers scrutinize their bargaining position prior to committing to savings & cost avoidance targets



Watch market changes
(e.g., schedule offerings and pricing)

Analyze travel spend and
evaluate alternative costs control

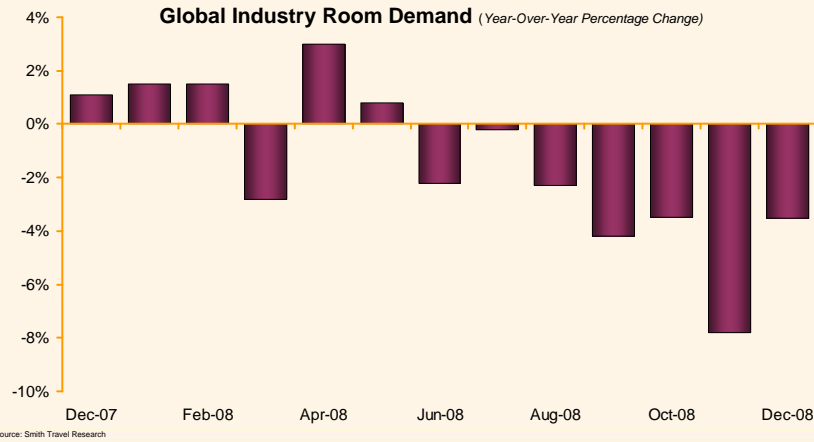
Improve compliance to policy
and preferred vendors

Explore guaranteed fares for incremental
savings and cost avoidance

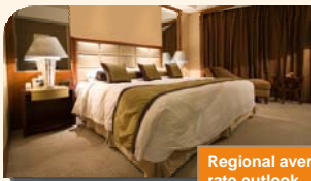
Evaluate realistic policy changes
and strengthen demand management



Global hotel demand has fallen



2009 Hotel Forecast



Regional average hotel rate outlook	Oct 2008	Jan 2009
North America	0 to 3%	-3 to 3%
Latin America	10 to 15%	5 to 14%
Europe	4 to 8%	-1 to 4%
Middle East	15 to 25%	10 to 20%
APAC	10 to 20%	8 to 20%

Source: Advito

Despite pendulum shift, savings require broader approach than just negotiation of room rates



Know what you need and focus on total cost of stay

Review tier strategy, market coverage, bulk buy & dynamic rates

Broaden solicitation list but consolidate final selection

Be vigilant about dynamic pricing, last room availability & rate loading

Promote compliance, manage booking behavior, influence travel pattern



Global Effects

“The global economy crisis is the top security threat”

National U.S. Intelligence Director Dennis Blair

Events impacting your employees



France: Paris airports to close because of storm

GoAlert24 Internal [09-Feb-09 11:11:22 AM (EST)] ★★☆☆ Significant Travel Impact ✓

PARIS, February 9, 2009 (AFP) - Paris airports will be shut to flights from 8:00 pm (1900 GMT) Monday until 10:00 am Tuesday because of extremely high winds expected to hit the French capital, officials said.

Urgency Level
★☆☆☆☆ =Lowest Urgency
★★★★★ =Highest Urgency
✓ =Significant Traveler Impact

News Category
• Transportation

News Topic
• Air travel

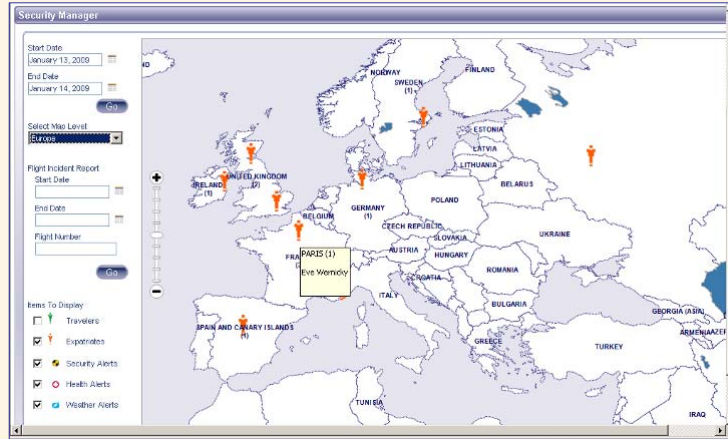
Related Destinations
• France

Editor's Notes
• Airline disruptions

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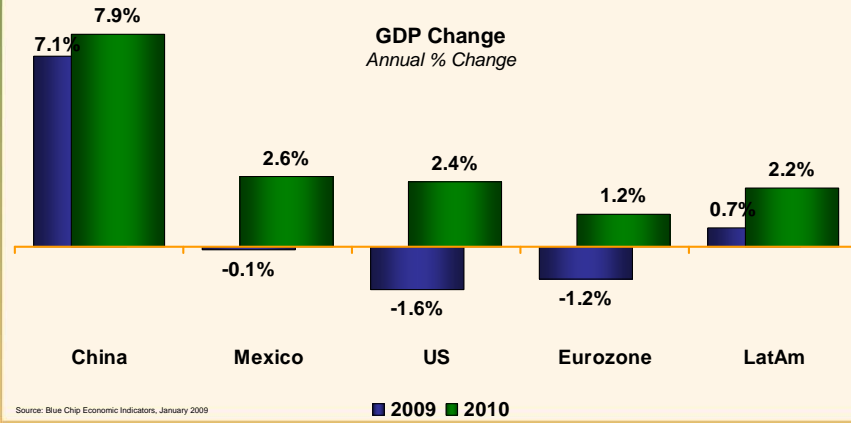
Where are your employees?



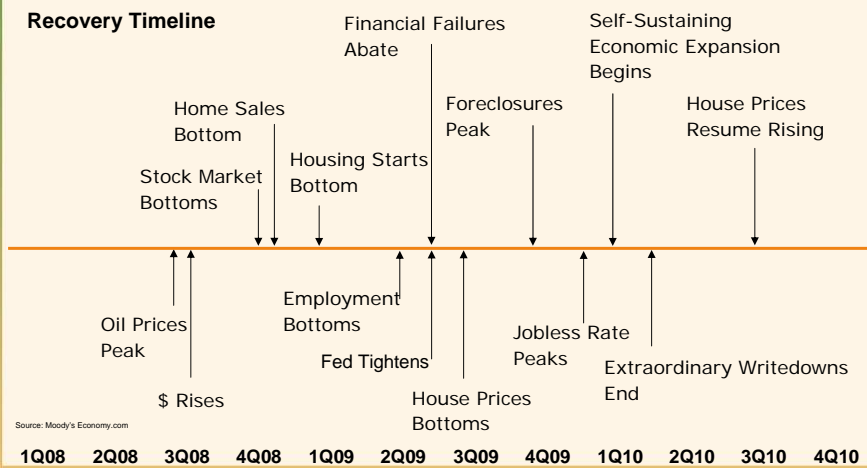
Outlook



Growth anticipated to return in 2010



The recovery will take time





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