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Points, Pillows and Porsches: Hotel and Car Rewards at the Top 30 Airlines

Flying high beyond the bare essentials of reward tickets and upgrades

March 4, 2014, Shorewood, Wisconsin – Whether intentional or not, every frequent flier program creates a brand image in the minds of its members. Some airlines take an approach that provides the bare troika of essentials: reward tickets, partner airline tickets, and upgrade rewards. Fortunately for consumers, more of the world's top airlines choose a more robust retail approach by adding a global selection of hotel and car rental rewards. Of the top 30 airlines assessed by IdeaWorksCompany, the majority provide more reward options with the likely objective being to make their programs more attractive to customers.

It's no surprise the largest loyalty programs – American AAdvantage, Delta SkyMiles, and United MileagePlus – offer car rental and hotel rewards. The biggest surprise is posed by the high profile global carriers that don't, such as Air China, Turkish Airlines, and US Airways. Reward activity, survey results, and the prevalence of broad-spectrum rewards indicate they have become a "must have" amenity for frequent flier programs wishing to compete on a global scale. The report describes how better airline brands engage their top customers in a deeper relationship by going far beyond a basic selection of reward tickets and upgrade rewards:

- The Qantas Frequent Flyer Program presents members a big online reward store boasting more than 3,750 products and vouchers.
- More than 30 percent of redemptions for Aeroplan (Air Canada's loyalty coalition program) were for non-air rewards during 2012.
- Redeeming 150,000 miles with Air France KLM offers a "week of luxury motoring" which features a BMW 1 series automobile available through Sixt Rent a Car in 10 countries worldwide.
- Southwest Airlines offers the promise of a romantic weekend at more than 3,400 B&Bs and country inns in the US by redeeming 10,000 points for a \$100 gift card from BedandBreakfast.com.

"Points, Pillows and Porsches: Hotel and Car Rewards" was released today as a free 15-page report and is available at the IdeaWorksCompany website: www.IdeaWorksCompany.com. The 2014 Loyalty Marketing Report series is sponsored by Switchfly, a global technology company that powers travel commerce and loyalty redemption solutions for leading travel, financial services and ecommerce brands. For information visit www.switchfly.com.

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