

No Change After Delta Move

Despite Delta Air Lines' decision to discontinue its Meeting Network product as of February 28, it appears to be business as usual for its competitors when it comes to the meeting market. The demise of the meeting product, as well a decision to eliminate group and zone discounts, was part of the fare-simplification strategy that Delta put in place in early January.

While several of Delta's competitors reacted to the new SimpliFares by offering fare restructuring of their own, the industry's silence in the face of Delta's elimination of its meeting product has been "kind of eerie," says Terry Egger, vice president, group and meetings services for Air Fulfillment Services in Des Moines, Iowa.

"I haven't heard anything from other airlines," says Egger, whose company manages air travel for meeting management and incentive companies. "I think they [Delta] may have to re-examine their decision. I don't see how an airline can't have something in place to address that market." While American Airlines has done some reorganizing of its group and meetings department, its approach to the market remains "business as usual," according to Alynne Hanford, national sales manager, groups and company meetings, American Airlines. Northwest Airlines "has made no changes as of this time to our approach and programs in the meeting market," said a Northwest spokesperson.

Like Egger, Alan Krensky, president and CEO, Colpitts World Travel in Dedham, Mass., wonders if Delta will be forced to retract its decision. "I just don't think it's smart," Krensky says, adding that he believes the meeting market deserves "fares commensurate with the commitment from the client."

Aspects of Delta's new approach concern David Nelson, vice president, travel, meetings, and incentives for American Family Life Assurance Co. in Columbus, Ga. For example, Nelson says that Delta now requires him to provide names within 30 days of blocking group space. That, Nelson says, is "virtually impossible" because his sales force doesn't qualify for the incentives until around three months before the trip. "It's impractical for me to wait until the qualification period is over to block the space, thus risking adequate availability and higher fares."

Krensky, like Nelson, also regrets the impact that the elimination of the Delta Meeting Network could have on service. "There's no major falloff yet," Krensky says, "But in the long term, I think [the impact] will be very negative."