

Business Plan Development - Phase 2 Building a Frequent Flier Program - Consulting Package

Overview

IdeaWorks offers a one-price solution for an airline seeking to evaluate a frequent flier program opportunity. A total of ten packages are offered to provide support during all phases of frequent flier program planning, procedures development, and program launch. The Initial Evaluation - Phase I established a template for program development. Phase 2 is offered as a separate project to begin the process of building a frequent flier program through the development of a comprehensive business plan document.

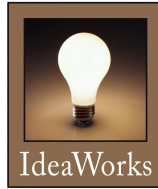
This project will create a 25-page Frequent Flier Business Plan that will outline the design of a customized loyalty program for the client. Phase 2 is completed by IdeaWorks at its headquarters and does not require travel to the client site. The Business Plan document is typically delivered 3 weeks after the project start date.

The following lists all of the frequent flier program planning, procedures development, and program launch packages offered by IdeaWorks:

Family of Frequent Flier Program Packages from IdeaWorks		
Program Planning	1	Initial Evaluation
	2	Business Plan Development
	3	Software Selection
Procedures Development	4	Program Terms & Conditions
	5	Member Services and Customer Service Manual
	6	Program Materials and Marketing Strategy
	7	Partner Participation
	8	Software Scope and Integration
Program Launch	9	Program Launch
	10	Ongoing Support

The exact content of the document would be determined during the course of the project; the items described below are general guidelines based on previous loyalty program projects.

Frequent Flier Business Plan - Table of Contents	
A. Executive Summary	Introduction to the Business Plan
B. Membership and Accrual	<ol style="list-style-type: none"> 1. General Membership Provisions 2. Accrual of Points 3. Expiration of Points 4. Member Communication and Collateral
C. Rewards	<ol style="list-style-type: none"> 1. General Reward Provisions 2. Restricted Travel Dates 3. Air Travel Rewards 4. Other / Partner Rewards
D. Elite Tier (if applicable)	<ol style="list-style-type: none"> 1. Elite Tier Overview 2. Elite Tier Benefits 3. Elite Tier Rewards 4. Special Benefits - Points Pooling
E. Program Partners	<ol style="list-style-type: none"> 1. General Overview 2. Airlines 3. Hotels 4. Car Rental Companies 5. Activities 6. Services 7. Retail 8. Other Travel & Entertainment
F. Co-Branded Credit Card	<ol style="list-style-type: none"> 1. General Overview 2. Benefits 3. Candidate Banks
G. Membership Statistics and Member Activity	<ol style="list-style-type: none"> 1. General Overview 2. Graph – Projected Trip Distribution of Passengers 3. Table – Passenger and Member Activity - Year 1 4. Table – Passenger and Member Activity - Year 2 5. Table – Passenger and Member Activity - Year 3
H. Selected Financial Projections	<ol style="list-style-type: none"> 1. General Overview 2. Member Center Activity (Member Services) 3. Frequent Traveler Program Software 4. Reward Distribution and Expense 5. Co-Branded Credit Card Revenues 6. Examples of Partner Revenues



Additional Project Details

Lead Project Consultant

Jay Sorensen's research and reports have made him the world's leading authority on the ancillary revenue movement. In November 2007 he was chairman of the first conference dedicated to the topic of ancillary revenue. This event was a resounding success with more than 240 airline executives and ancillary revenue vendors from all over the world attending the Frankfurt conference. Mr. Sorensen is a veteran management professional with 25 years experience in product, partnership and marketing development. As president of the IdeaWorks consulting firm, he has enhanced the generation of airline revenue, started guest loyalty programs and co-branded credit cards, developed products in the service sector, and helped start airlines and other travel companies.

His career includes 13 years at Midwest Airlines where he was responsible for marketing, sales, customer service, product development, operations, planning, financial analysis and budgeting. Mr. Sorensen is author of the IdeaWorks Guide to Ancillary Revenue; airline professionals from all over the world have purchased the publication.

Expenses

Travel expenses, and other direct expenses such as express delivery and long distance telephone, are reimbursable. Travel expenses are to be reimbursed within 14 days of invoice.

General

All terms, conditions and fees are subject to the provisions of a consulting agreement between the client and IdeaWorks.

Consulting Package Price

Package pricing is available upon request.

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