

US Airlines: Overbooking Is Still Popular



So the summer season has started and more and more passengers all over the globe are taking to the skies to fulfill their ambitions of enjoying a summer holiday and carrying out business trips. This is, naturally, great news for the airline companies, yet can prove to be a disaster for many passengers.

As the amount of passengers in the air reaches an all time high, so does the amount of passengers been turned away due to overbooking. Although the total number of travellers who have been refused entry into the aircraft has only been a fraction of the total number of people having booked seats, the figure still came to 56.000. This is by no means a small amount of people.

The problem is that it is nowadays fashionable to make seat reservations online, thus creating the possibility of filling planes quicker and at less expense. In order to eradicate the threat of losing billions on unfilled seats, airlines are allowing themselves to be overbooked.

Their excuse for this is that many customers don't show up anyway so they can afford to take the risk. When all or most passengers do eventually show up, there is no choice but to turn them away. Officials naturally hate the job of refusing paying customers, who might have to wait weeks for the next flight, entry onto the plane.

However, it is seen as the lesser of two evils. It is estimated that US airways would have lost around \$1 billion last year without overbookings. The amount of no-shows is estimated to be around 7.5%. Airlines are faced with a terrible situation. Either they continue to accept bookings for seats which have already been taken or risk infuriating customers and their own staff or they keep everybody happy and lose immense amounts of money as a result. A classic catch 22 situation.

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