

## Oneworld to launch alliance-wide upgrades this year



Using Qantas Points to unlock an upgrade on Cathay Pacific, or tapping your Avios account for a bump to business or first class on Japan Airlines, should soon be possible as Oneworld finally launches alliance-wide upgrades later this year.

It's been a long time coming – the group first flagged its plans years ago – but “upgrades is at the very top of our list,” reassured Oneworld’s Customer Experience chief Gerhard Girking, speaking exclusively to *Executive Traveller* on the sidelines of the opening of the new Oneworld Seoul Lounge.

“It's a core element to the customer proposition and what we want to provide our customers (and) I expect that we will announce something later this year,” Girking noted, adding “we are working through (the timeline) at the moment.”

However, Girking revealed the Oneworld-wide points upgrade program will launch with “only a handful (of airlines) to begin with” rather than

kicking off with coverage of all 13 Oneworld airlines (or 14, when Oman Air takes a seat at the table).

“Technology is one of the key elements of how we integrate our airlines, and it definitely applies here,” Girkinger admits. “I think this is not something that you put out overnight.”

“It’s going to be in a smaller scale initially, and then grow from there.”

That doesn’t mean the program’s debut will lack punch, especially if one of those launch partners is the powerhouse currency of Avios, which is now used by British Airways, Finnair, Iberia and Qatar Airways.

Add a few other heavy-hitters such as American Airlines Advantage and Cathay Pacific Asia Miles, and there’d be exceptionally broad reach even during the early stages.

## No plans for a ‘Oneworld Miles’ Currency

So how would these Oneworld-wide miles or points upgrades work, in practice?

Girkinger rules out the introduction of a virtual Oneworld ‘currency’ – invariably referred to as Oneworld Miles or Oneworld Points – to act as a baseline for the conversion from the miles or points of one member airline to another.

“Technically, we really don’t get involved in that at all. We will provide the framework and the infrastructure” for cross-airline upgrades, Girkinger tells *Executive Traveller*, but “the airlines will decide of how they want to do it.”

As a result, participating airlines will decide their own exchange rate between their respective rewards currencies “like it is today for

redemptions... it is largely still based on what the airlines would bilaterally agree, (so) the concept really doesn't change.”

But wrangling the frequent flyer programs of each airline to build an interweaving upgrade mechanism covering each fare type and travel class is no easy matter.

Right now, each airline handles its own frequent flyer upgrades a little differently.

Some allow upgrades to be cleared and confirmed instantly, others require upgrades to be waitlisted for consideration closer to departure, and some carriers offer both.

Airlines will also need to balance their stock of available reward seats to meet the demand of their own customers along with passengers wielding points from other airlines.

## The points and miles upgrade puzzle

Another complication is which fare types would be eligible for alliance-based upgrades.

For example, rival network Star Alliance has long allowed members of one airline's frequent flyer program to upgrade on flights operated by other Star Alliance airlines, although travellers must book full-fare flexible economy to qualify for business class bump-ups.

Qantas polled its own frequent flyers on the concept as far back as 2019, with surveys sketching out options such as setting a minimum for points-based upgrades across airlines at the more expensive standard and flexible economy fares rather than “discount economy or economy sale fares.”

There's also the matter of whether these upgrades can be confirmed instantly upon request, or must be waitlisted for consideration closer to departure.

That's all part of the puzzle which Girkinger is attempting to unravel for travellers, although the pace of things naturally changed with the arrival of the pandemic in 2020.

“It's similar to our lounge program being delayed,” he admits. “That's no secret. We said that we were working on an upgrade programme” in 2020, and it's “been a work in progress.”

“(And) having seen our proposition that we would like, it's also going to be what I would argue (as) superior to what the other alliances offer today.”

Both the upgrade program and the opening of a second Oneworld-branded lounge at a yet-to-be-revealed location will come as the alliance celebrates its 25th anniversary this year.

“I think there's going to be a lot more exciting stuff happening in the alliance over the course of the year,” Girkinger teases.

Source: Executive Traveller

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