

News Release

# Aeroplan transforming to become the best travel loyalty program in Canada

Exclusive purchasing strategy and unique points transfer program will further differentiate the program

MONTREAL, July 19, 2018 /CNW Telbec/ - Building on previously-announced plans, Aimia Inc. (TSX: AIM), today unveiled further details of the future Aeroplan program, focused on three pillars: offering increased flexibility, delivering leading value and improving the member experience.

Recently-appointed Aimia Chief Executive Officer, Jeremy Rabe, commented on the future of the program: "The value Aeroplan already delivers to members is unmatched in the Canadian travel loyalty rewards industry. In transforming Aeroplan to be the best travel loyalty program in Canada, we will maintain our differentiation on exceptional value and deliver a more flexible and enhanced experience for our engaged base of five million members. Given our strong assets and unparalleled purchasing power, Aeroplan has an incredible opportunity ahead to capitalize on the growing travel market."

# **Increased Flexibility**

Canadians love to travel and are travelling more often. Seventy-two per cent of Aeroplan Members surveyed reported that expanding redemptions to any airline would be a "big improvement" to the program<sup>1</sup>. Aeroplan's offering will respond to Canadians' demand to travel more often with more airlines by expanding the broad reach of destinations currently offered through Aeroplan beginning July 2020.

"We are strengthening our air offering and beginning July 2020, Aeroplan Members will be able to choose any seat on any airline\*, anywhere at any time, bringing them closer to their travel ambitions, whether that be a sunny getaway, spending time with friends abroad or exploring the world," said Rabe.

Aeroplan is also introducing greater flexibility through the introduction of a unique points transfer program with Kaligo Solutions in July 2020. This strategic partnership will allow members to convert their Aeroplan Miles into close to twenty airline frequent flyer programs covering all major airline alliances, along with numerous hotel loyalty programs. As a result, members will be able to select economy, business and first class reward seats on a wider selection of global airlines and also access thousands of premium hotel rooms across the world.

While flight rewards will continue to be a core differentiator for Aeroplan, the program will expand its redemption options for a wide variety of other travel, leisure and entertainment experiences including concerts, spas, private jets and more.

### **Great Value**

Members have long benefited from the great value Aeroplan offers and the average member has been with the program for ten years. In 2017, members redeemed for two million flight rewards, with close to 80 per cent of rewards redeemed booked to

North American destinations.

"Our members have told us that the value of their Aeroplan Miles is critical to them," said Rabe. "That's why come July 2020, we're committed to continuing to offer our members great value on flight rewards."

The following round-trip flights will be offered beginning at the following Aeroplan Miles:

North American short-haul: 15,000
North American long-haul: 25,000
Mexico and Caribbean: 40,000

Europe: 60,000Asia: 75,000

"These mileage levels are the same that we provide our members today. Together, these destinations represent close to 95 per cent of flight redemptions through the Aeroplan program."

With robust member travel history data and lengthy booking windows and with members typically booking well ahead of their planned travel, Aeroplan can predict members' travel intentions and procure attractive flight options in advance to meet the demand.

Leveraging its significant volume, Aeroplan plans to use bulk and block purchasing, stand-alone charters on key routes and preferred airline partner relationships to allow it to secure discounts of between 5% and 40%, keeping costs low and providing exceptional value per mile redeemed and attractive itineraries come July 2020. With the ability to purchase seats on any airline\*, Aeroplan will also have the potential to purchase the cheapest available fares and offer market fare flight rewards to the same destinations for fewer miles.

Value is also created by earning miles faster, allowing members to reach a reward sooner. Aeroplan is committed to strengthening miles' accumulation options, evidenced by the recent renewal of partnerships like Home Hardware and new opportunities to earn under recently announced arrangements like <a href="Managements-Amazon.ca">Amazon.ca</a>.

#### **Improved Member Experience**

Aeroplan will build on its strengths as one of the most recognized travel loyalty brands in Canada to become even more top of mind when members plan travel.

Starting this September, Aeroplan will introduce a new online travel booking tool. In addition to redeeming their Aeroplan Miles for flights and cars, members will be able to rent a car or book a stay at one of 250,000 hotels world-wide using cash. With each reservation paid for in cash, members will earn Aeroplan Miles. The ability to obtain flights using cash or miles redemption will follow, evolving Aeroplan into a broader online travel booking service.

Alongside these updates, a mobile-first approach and the introduction of further digital tools, enhanced by artificial intelligence, will evolve the member's user experience to be best-in-class.

"In the near future, we will enable our members to earn or redeem miles for every part of their travel journey," adds Rabe. "With our ability to better understand our members through our industry-leading analytics capabilities and use of AI, we will revolutionize our engagement with members, giving Aeroplan a significant advantage in the travel rewards landscape."

To see Aimia's CEO Jeremy Rabe talk about the new Aeroplan please view the video.

## **About Aimia**

Aimia Inc.'s (TSX: AIM) data-driven marketing and loyalty analytics provides clients with the customer insights they need to make smarter business decisions and build relevant, rewarding and long-term one-to-one relationships, evolving the value exchange to the mutual benefit of both our clients and consumers.

Aimia partners with groups of companies and individual companies to help generate, collect and analyze customer data and build actionable insights.

Our businesses include Aeroplan in Canada and Air Miles Middle East. The provision of loyalty strategy, program development, implementation and management services for other clients are underpinned by leading products and technology platforms such as the Aimia Loyalty Platform – Enterprise and Aimia Loyalty Platform – SaaS, and through our analytics and insights business, including Intelligent Shopper Solutions. In other markets, we own stakes in loyalty programs, such as Club Premier in Mexico and

Think Big, a partnership with Air Asia and Tune Group. Our clients are diverse, and we have industry-leading expertise in the fast-moving consumer goods, retail, financial services, and travel and airline industries globally to deliver against their unique needs.

For more information about Aimia, visit www.aimia.com.

 $_{\mbox{\scriptsize 1}} \mbox{Survey of Aeroplan with members who have recently redeemed with}$ Aeroplan.

\*International Air Transport Association accredited airlines

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