



# Air Canada Busts the U.S. Border With Covid Fares to Asia Up to 74% Off

August 2020

**Make a connection on Air Canada and get a 3-for-1; leaves elites to pay through the nose; plus get optional Canada exploration(s) for free.**

Imagine you're planning to go to dinner at your favorite sushi restaurant. The taxi driver tells you he can drive straight to there for \$20 OR he can go via the ice rink (which is nearby) and it'll only cost \$7. Why not pass by the ice rink on the way to get a deal like that? And hey, you could even get in a little skating.

Which brings me to flying to Asia—Japan specifically. If you go via Canada, you can save big right now—**up to 74%.**

## SAMPLE LOW FARES TO JAPAN CONNECTING VIA CANADA WITH AIR CANADA

Here are some low fares you can expect for travel **October through June 1, 2021:**

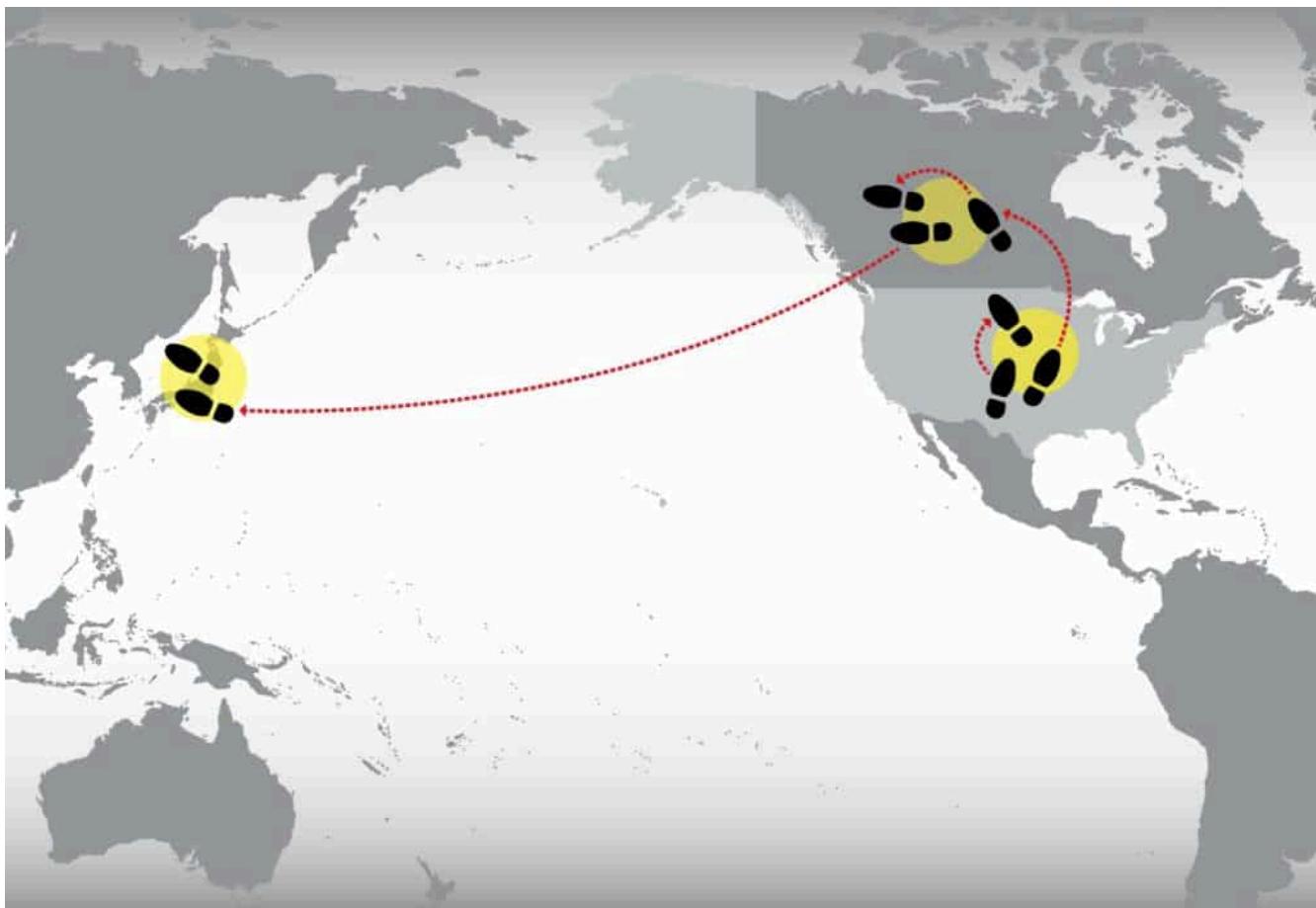
- \$2,265 New York
- \$2,367 Chicago
- \$2,515 Washington, DC
- \$2,752 San Francisco
- \$2,948 Houston

Now compare those with typical non-stop fares from the U.S.

- **\$7,051 to \$8,560 from New York** on All Nippon, Japan Airlines, and United
- **\$7,051 to \$8,551 from Chicago** on All Nippon, Japan Airlines, and United
- **\$7,251 to \$9,751 from Washington, DC**, on All Nippon and United
- **\$7,000 to \$8,500 from San Francisco** on All Nippon, Japan Airlines, and United
- **\$7,557 from Atlanta** on Delta
- **\$7,051 to \$8,551 from Houston** on All Nippon and United
- **\$7,529 from Dallas** on American and Japan Airlines

U.S. Departure City	Air Canada Fare	Non-stop Fare	Savings
New York	\$2,265	\$8,560	<b>\$6,295 / 74%</b>
Chicago	\$2,367	\$8,551	<b>\$6,184 / 72%</b>
Washington, DC	\$2,515	\$9,751	<b>\$7,236 / 74%</b>

U.S. Departure City	Air Canada Fare	Non-stop Fare	Savings
San Francisco	\$2,752	\$8,500	\$5,748 / 68%
Atlanta	\$2,934	\$7,557	\$4,623 / 61%
Houston	\$2,948	\$8,551	\$5,603 / 66%



For a cheaper way to Asia, do the Canada Cancan.

## ELITES PAY THROUGH THE NOSE

Currently, we're seeing Air Canada undercutting all major U.S. airlines (American, Delta, and United) from their major non-stop hub cities.

**American example:** It's \$3,087 from Dallas to Tokyo on Air Canada, while American's fares are often \$7,529. That's a difference of **\$4,442/59%**.

**Delta example:** It's \$2,934 from Atlanta to Tokyo on Air Canada, while Delta's fares are often \$7,557. That's a difference of **\$4,623/61%**.

**United example:** It's \$2,515 from Washington, DC, to Tokyo on Air Canada, while United's fares are often \$9,751. That's a difference of **\$7,236/74%**.

It's the cost of being an elite-focused traveler. If you are an elite who's locked in, then you're missing out.

## ANOTHER PERSPECTIVE: LOW-COST UPGRADES FROM PREMIUM ECONOMY

For travel October through June 2021, you can book New York to Tokyo in Business Class on Air Canada for just \$2,265 with one connection. Premium Economy during the same time window is \$1,874 for a nonstop flight on All Nippon. So that's \$195 more each way, or \$14 per flight hour to upgrade. That's why it's super important to check those prices before committing to a cabin right now.

## BUT YOU CAN'T GET INTO CANADA NOW, RIGHT?

That's right, Canada is closed for business from the U.S. due to covid, but a [transit](#) (connection) through Canada to another country from any location is permitted. So if Japan is on your radar, it's a good opportunity to lock in a great price via Canada. Plus, if you decide to stop in Canada (more on 2-for-1 and 3-for-1 strategies below) the information in this report is for 2021 travelers or later in 2020. And don't worry—these fares are valid for travel well into next year too.

## WHILE YOU'RE THERE

This northern dance-step on the way to Japan lands you in one of the planet's most spectacular countries. Canada is awesome (see some highlights further below). So why not parlay the savings you make on your Japan visit into a Canadian side trip too? **The Canadian dollar is greenback-friendly with one U.S. dollar = \$1.36 Canadian dollars at time of writing.**

## HOW TO USE OUR 2 CITIES-FOR-1 STRATEGY

Let's say you want to travel from New York to Tokyo and the lowest Business Class fare is \$2,265 round-trip with Air Canada. Now, for \$2,302, just \$37 more, you can fly from New York to Tokyo with a stop in Toronto.

FCF research found that the free enroute stopover strategy in Toronto works when traveling from Atlanta, Chicago, Dallas, Houston, New York, and Washington, DC. From San Francisco to Tokyo, the free enroute stopover is allowed in Vancouver.

We've written about this strategy a number of times over the last few months. Check out these great opportunities: [TAP Air Portugal with a Lisbon stopover](#), [British Airways with a London stopover](#), [Lufthansa and SWISS with a Frankfurt, Munich or Zurich stopovers](#), and [Austrian Airlines, Brussels Airlines, and SAS with Vienna, Brussels, and Copenhagen stopovers](#).

## HOW OUR 3-FOR-1 STRATEGY WORKS: THE OPEN JAW

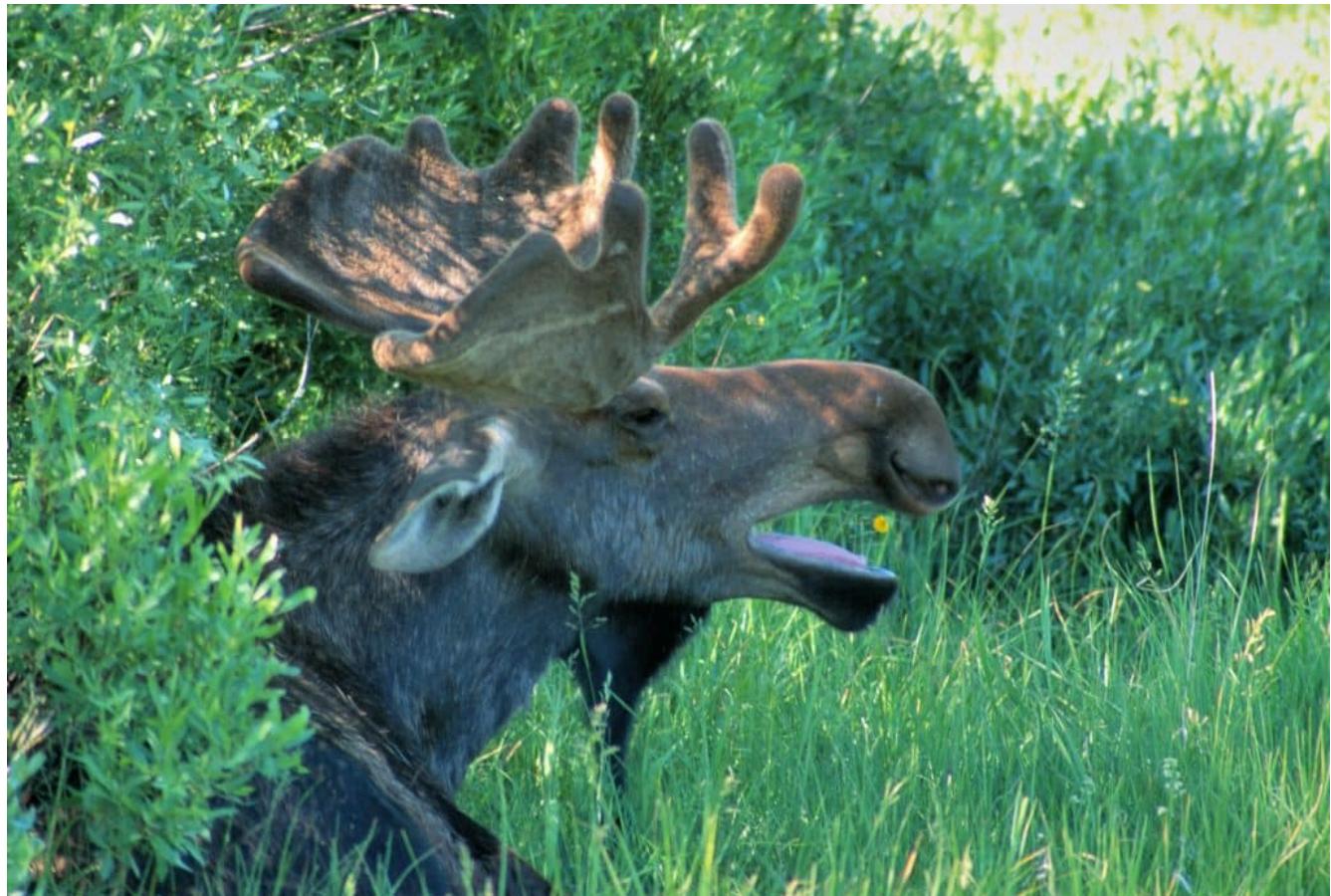
3 for 1! Now the dance is getting jaw-droppingly frenetic. Speaking of which, the open-jaw strategy makes for big savings. Let's have a look.

Most people fly point-to-point and back (A-B-A). On the other hand, an open-jaw strategy means keeping your plans open. For example, flying to one city and returning from another.

**Buy two one-way tickets:** New York to Toronto (\$262 one-way on Air Canada) and return from Vancouver back to New York (\$430 one-way on United) goes for \$692 in Business Class booked as two tickets. That way you can spend a few days in Toronto before you go to Japan, and a few days in Vancouver on your return.

Here's an example of a textbook open-jaw itinerary: fly from Toronto (city A) to Tokyo (city B), and then return to Vancouver (city C) from Tokyo (city B). Toronto to Tokyo and returning back to Vancouver costs \$1,928 round-trip non-stop on Air Canada in Business Class right now.

That gives us a total cost of about \$2,620 for three destinations. If you were to only fly from New York to Tokyo in Business Class it would cost \$8,560 non-stop on All Nippon. **So that open-jaw itinerary gives you a savings of \$5,653/66%, and two more destinations.**



The Canadian Open Jaw

## THE RISK OF BOOKING TICKETS NOW

Due to covid, many airlines have new "change fee waiver" policies in place for non-refundable tickets. Policies vary by airline, but in general, the policy waives change fees if you decide not to travel. See FCF's risk-of-

booking widget [here](#) for Air Canada. The current change policy allows a one-time change without a fee for travel before August 31, 2021, and new travel must be completed by August 31, 2022.

## **DON'T USE MILES TO UPGRADE WHEN FARES ARE LOW**

You can book and buy an economy ticket on United from Newark to Tokyo for \$1,270 (V class) and pay a co-pay of \$1,000 (total \$2,270) and 60,000 miles round-trip to upgrade. Or you could book Air Canada in Business Class to Tokyo for just \$2,265.

## **OH CANADA**

The world's second-largest country is big on spectacular sights. Here are some of the highlights:

- Whistler, the largest ski resort in North America.
- Magical Vancouver Island. Get your camera ready.
- Montreal, Canada's culture capital, a little piece of Paris.
- Banff National Park: stunning natural scenery that words do no justice, and nearby Lake Louise and Jasper National Park
- Go to a hockey game and witness this national sport from a Canadian vantage point.



Lake Louise

Don't forget, the Olympic Games in Tokyo have been rescheduled for July and August 2021. This could be a great way to do it.



# HOT FCF Fare & Miles Alerts Available Now

August 2020

We've put together a survey of the best airfares and unprecedented mileage availability (aka "Sweet Redemptions") that we've published in the last month—on major airlines—that are still live today and are valid for travel later this year and/or into 2021. So in case you missed them the first time, here they are in all their glory.

\*\*\*Don't see your origin and/or destination below? [This report](#) was made for you.

## FCF Sweet Redemptions

### TO/FROM AFRICA

[Emirates \\*First Class\\* from Seattle to Johannesburg for January to March 2021 Travel](#)

[Emirates \\*First Class\\* Availability Found from San Francisco to Johannesburg for March 2021 Travel](#)

[Emirates First Class Availability from Washington DC to Seychelles for May 2021 Travel](#)

## **TO/FROM ASIA**

[Cathay Pacific \\*First Class\\* from New York and Many Other Cities to Hong Kong and Beyond for Travel November to July 2021](#)

[Unprecedented Singapore Airlines Discount Business Class Options from Los Angeles to Singapore for Travel October Through July 2021 \(4+ Seats\)](#)

[Cathay Pacific \\*First Class\\* from Boston to Hong Kong and Beyond for Travel November to July 2021](#)

[Cathay Pacific First Class from Chicago to Hong Kong and Beyond for Travel November to May 2021](#)

[Unprecedented Singapore Airlines Discount Business Class Availability from Los Angeles to Tokyo for Travel October to June 2021](#)

[All Nippon Airways \\*First Class\\* from Washington DC to Tokyo for Travel November to June 2021](#)

[Good Singapore Airlines Discount Business Class Availability from San Francisco to Singapore for Travel Through June 2021](#)

## **TO/FROM EUROPE**

[Emirates Discount \\*First Class\\* Availability from Newark to Athens for Travel October Through May 2021](#)

[Emirates Discount \\*First Class\\* from New York to Milan for Travel January to March 2021](#)

[Cheap Iberia \(Amex & Chase Partner\) Business Class Seats from Los Angeles to Madrid for Travel April to June 2021](#)

[Unprecedented American Business Class Upgrade Availability to London from Los Angeles and Many Other Cities Through](#)

[Unprecedented Singapore Airlines Discount Business Class Availability from New York to Frankfurt for Travel October Through June, 2021](#)

[Unprecedented United Discount Business Class Upgrade Availability from Newark and Many Other Cities to Zurich for Travel October to June 2021](#)

[American Business Class Upgrades Available from Dallas and Many Other Cities to Paris for Travel October to December](#)

[Unprecedented United Business Class Upgrade Availability from Chicago and Many Other Cities to Frankfurt for Travel October Through May 2021](#)

[Unprecedented United Business Class Upgrade Availability from Newark and Many Other Cities to \\*Munich\\* for Travel October Through May 2021](#)

[Unprecedented Delta Business Class Discount Availability from Atlanta and Many other Cities to \\*Amsterdam\\* for Travel October Through March 2021](#)

## **TO/FROM THE MIDDLE EAST**

[Emirates \\*First Class\\* Discount Availability from Chicago to Dubai for Travel October Through March 2021](#)

[Emirates \\*First Class\\* from New York to Dubai for Travel October to June 2021](#)

[Unprecedented Qsuite Discount Availability from Washington DC and Many Other Cities to the Middle East for Travel October to May 2021](#)

[Unprecedented Qsuite Availability from Chicago and Many Other Cities to the Middle East for Travel from October to June 2021](#)

[Some Emirates First Class Discount Availability from San Francisco to Dubai for Travel February Through May 2021](#)

## **TO/FROM SOUTH AMERICA**

[Unprecedented United Business Class Discount Availability from Newark and Many Other Cities to Sao Paulo for Travel October to June 2021](#)

[Unprecedented United Business Class Upgrade Availability from New York and Many Other Cities to \\*São Paulo\\* for Travel Later This Year Through June 2021](#)

## **TO/FROM SOUTH PACIFIC**

[Emirates \\*First Class\\* from Houston to Auckland for Travel January to March 2021](#)

[Emirates \\*First Class\\* Discount Availability from Houston to Melbourne for Travel in 2021](#)

## **FCF Rare Fares**

### **TO AFRICA**

[New Business Class Fares from All Over Canada to All Over Africa for October through June 2021 Travel from \\$2,450 R/T \(\\$3,275 CAD\).](#)

[New Business Class Fares from Montreal to Morocco \\$1,748 / \\$2,374 CAD](#)

### **TO CARIBBEAN**

[New \\$525 R/T Business Class Fares to \\*Aruba\\* from North America for September 2020 through May 2021 Travel](#)

### **TO EUROPE**

[New \\$2,080 Business Class Fares from Los Angeles to Europe for November and December Travel](#)

[New \\$1,998 Business Class Fares from Miami to Europe for October 2020 Through June 2021 Travel](#)

[New Business Class Fares from All Over the U.S. to Spain for Later This Year & March 2021 Travel from \\$1,900](#)

[New \\$2,073 R/T Business Class Fares from All Over the U.S. to All Over Scandinavia for December & March 2021 Travel \(\\$1,807 with Discounts\).](#)

[New Business Class Fares from All Over the U.S. to Germany for December and March 2021 Travel from \\$2,052 R/T](#)

[New First Class Fares from the East Coast to Europe from \\$3,247 R/T \(\\$2,887 with Discounts\)](#)

[New \\*\\$1,280\\* R/T Business Class Fares from Toronto to \\*Lisbon\\* and the Azores for October through May 2021 Travel](#)

### **TO HAWAII**

[New Hawaii Business Class Fares Up to 35% Off On American for Travel August to May 2021](#)

## **TO MEXICO**

[New \\$499 Business Class Fares from the U.S. to Mexico for September 2020 through June 2021 Travel](#)

[New Cheap Business Class Fares from All Over the U.S. to Cancun for October through June 2021 Travel from \\$334 R/T](#)

## **NORTH AMERICA**

[New \\$736 Non-Stop Transcon First Class Fares Found for August Through December Travel](#)

## **TO SOUTH AMERICA**

[New Business Class Fares from Canada to South America for October through June 2021 Travel, from \\$1,936 R/T \(\\$2,586CAD\)](#)

[New Delta \\$1,630 Business Class Fares to São Paulo from Atlanta, Salt Lake and More for October & November Travel With Delta](#)

## FCF 2-Minute Decision Cheat Sheet

# Bargain Basement. How to Choose Between a Flash Low-Cash Fare and a Discount Mileage Deal?

August 2020

Condition	Decision	Use Cash	Use United miles	Use All Nippon miles
Must I earn elite status credit on this trip?		X		
Must I get a return on miles of at least 3 cents?		X		
Do I have lots of miles and/or points and care little about the return on them?			X	
Do I want zero risk if I decide to cancel my trip?				X
Do I want the lowest mileage award rate and have access to Amex points?				X

## Follow our template and make a decision in 2 minutes.

You're probably aware of those high-end outlet stores like Saks OFF 5TH and Nordstrom Rack. They try to get people excited with promises of 50%, 60%, 70%, or more off top labels like Chanel and Versace. It's one thing to get big discounts off top labels and another to get the styles, sizes, and colors you want. One is the fishing hook and the other is the fish.



But do they have them in your size?

It's the same with travel. It's a bit like hearing the airlines are having a big sale but the airline, route, and date don't suit you.

That's especially the case when you're flying long haul. You really want something that's as close as possible to a perfect fit.

Until recently, it was much harder to find great premium travel deals on the airline you wanted to fly on—with your desired route and dates of travel. Times have changed. Now airlines are often pricing fares and mileage-award tickets at outlet center prices—and they have space.

These are golden days to shop for sweet deals. But now the question becomes, how do you decide between two seemingly equal bargains? Need to choose between a discounted low fare or a low-mileage award ticket?

## FCF'S THREE-QUESTION DECIDER PROVIDER

FCF has reported on [many unprecedented mileage deals](#) over the past few months for travel to Europe. During that time, we've also published [many low-fare deals](#) for both flash sales and Thanksgiving, Christmas, and Easter (holiday) fares to Europe in Business Class and many other dates as well.

To have low-cost fares and low-cost mileage-award space at the same time is like having to choose between winning the lottery or inheriting a fortune from your long-lost uncle. So, how do you choose?

Many travelers instantly default to, "Well, I have enough points and/or miles, so I'll just use them." Hold on. You should wait to use your points or miles **when they're of the highest value**. Most often, **First Class, high-priced Business Class destinations, and short-notice Business Class tickets** offer a high-value return on your points and miles. FCF published a [special report on when it's best to use your miles here](#).

But don't be quick to jump to a decision when you have an option between a **low-cost Business Class fare and low-cost mileage-award space**. Instead, here's our three-part process for decision making:

- **First: Know the relevant questions to ask**
- **Second: Get the answers to those questions**
- **Third: Make an informed decision**

Simple, right?

## STEP #1: KNOW THE RELEVANT QUESTIONS TO ASK

You don't have to use all the questions listed below. In fact, you might have entirely different questions. The point is to ask enough to ensure that you can make a confident decision based on your own personal preferences and priorities.

Below is an example, based on finding two great flight options to choose from, one paying in cash and the other paying with miles.

### Example for picking between cash and miles

For travel on: **United**

Between: **Newark and Dublin non-stop**

Dates: **March 30 to April 6, 2021**

When the cash fare is: **\$2,087**

When low-cost availability is: **120,000 miles + \$45 in taxes**

### PRIMARY QUESTIONS FOR CASH FARE TICKETS:

1. What is the risk factor when using cash if I decide to cancel my trip?
2. Must I earn elite credit on this particular trip?

## PRIMARY QUESTIONS FOR MILEAGE-AWARD TICKETS:

*If it's for a flight for which you already have miles:*

1. What is the risk factor when using miles if I decide to cancel my trip?
2. What is the return on my miles (ROMs)?
3. Do I have a lot of miles and not care very much about the return on miles?

OR:

*If it's a flight deal with partner miles I can transfer my points to:*

1. Can I get a lower mileage-award rate with a partner airline?
2. Does the partner airline offer space for the same date and flights?
3. If partner award space is not available on the same dates, am I willing to change my travel date enough to get a cheaper deal?
4. Do I have access to points that I can transfer to the cheaper airline's program?
5. What is the return on points (ROPs) with the partner airline program?
6. What is the risk factor when using miles if I decide to cancel my trip with the partner program?

Again, this all assumes you did the work and found a **choice between a low-cost Business Class fare and mileage-award space on the same airline, same date, and same route** (I can't believe I just wrote that—it's like the holy grail of premium travel—**and it happens often nowadays**). You don't have to use every question listed above, just enough to help you decide.

## STEP #2: GET THE ANSWERS TO YOUR QUESTIONS

Again, this example uses a United traveler flying from Newark. He found two great deals to fly non-stop to Dublin: 120,000 miles plus \$45 in award taxes or a cash cost of \$2,087 (including all taxes).

## Steps 1 and 2: Questions and Answers Summarized (Details Below)

Questions	Answers	
Cash Ticket	Miles Ticket	Points Ticket
Can I get a lower mileage-award rate	n/a	Yes, with All Nippon the cost is 88,000 miles

Questions	Answers		
with a partner airline?			round-trip.
Do I have access to credit card points that I can transfer to partner airline miles?	n/a		Yes, Amex Reward points
Does the partner airline offer space for the same date and flights?	n/a		Yes
What is the return on my miles/points?	n/a	1.7¢ per mile	2.3¢ per mile
What is the risk factor if I decide to cancel my trip?	Low risk due to the current change waiver policy for new tickets purchased, which waives change fees, but any difference in fare will apply.	Zero risk because the current waiver policy waives the redeposit fees for award ticket cancellations until the end of 2020, normal fees vary and range from \$0 to \$125 on United.	Zero risk with All Nippon as dates can be changed for free and the fee to redeposit miles is only 3,000 miles per ticket.

## LET'S DIG DEEPER INTO EACH ONE QUESTIONS/ANSWERS

### FOR CASH FARE TICKETS

**Question: What is the risk when using cash if I decide to cancel my trip?**

**Answer:** Most often when buying a discounted fare the ticket is nonrefundable and has change fees. However, the risk is currently low if you cancel your trip. That's because most airlines have a cancellation/change waiver policy for new tickets purchased (which waives change fees).

### FOR MILEAGE-AWARD TICKETS

#### *IF YOU ALREADY HAVE MILES FOR THE FLIGHT DEAL YOU FOUND:*

**Question: What is the risk when using miles if I decide to cancel my trip?**

**Answer:** If you pay with miles there is no risk if you cancel your trip. The [current policy waives the redeposit fees](#) for award-ticket cancellations made more than 30 days before departure for the remainder of 2020 with United. [United's](#) normal fees vary depending on when you cancel and/or if you have elite status, and range from \$0 to \$125.

**Question: What is my return on miles?**

**Answer:** First, keep in mind that a good rule of (Mr. Upgrade's) thumb: If your return on miles is less than ~3¢, you should consider buying the ticket and **saving your miles for a higher-value flight**. This is based on the fact that you can get a cashback card that gives you ~2¢ (i.e. don't even bother playing miles-and-points games if you get less than this) and the fact that if you need to buy miles when not on sale they can cost you 2.5¢ to 3.5¢ per mile. Of course, sometimes you make decisions that go beyond the simple math, but it's good to have a ballpark method to guide you. The value of a mile may vary, but the method of calculating it doesn't. If you have a zillion miles—as many have more than they will ever use—then you might just consider burning them regardless.

Money Saved (cost of ticket or cash paid, minus award taxes) ÷ Award Miles Used = Value of a Mile

Based on our New York Dublin example above, the total cash paid is \$2,087, and it takes 120,000 miles to get that ticket—plus \$45 in award-ticket taxes. Thus, on this flight the value of a mile is 1.7¢:  $\$2,042 (\$2,087 - \$45) \div 120,000 \text{ miles} = 1.7\text{¢ per mile}$ .

### ***IF YOU WANT TO USE POINTS WITH PARTNER MILES FOR THE FLIGHT DEAL:***

**Question: Can I get a lower mileage-award rate with a partner airline?**

**Answer:** Based on our sample trip, yes. All Nippon charges 88,000 miles round-trip vs. 120,000 United miles.

**Question: Does the partner airline offer space for the same date and flight?**

**Answer:** Yes, based on our sample trip, All Nippon did have space.

**Question: If there's no partner award space on the same date, am I willing to change my travel date to get a lower partner mileage rate?**

**Answer:** In our example, we did not have to change the travel dates. However, when using points with partner program miles, this is not always the case. So a deciding factor could also be how flexible you are with dates, airlines, and even the route, when it comes to getting a lower partner rate.

**Question: Do I have access to credit card points that I can transfer to partner airline miles?**

**Answer:** Based on our sample traveler, yes. He has Amex Reward points, which he can transfer to the partner airline, All Nippon.

**Question: What is the return on points with the partner airline program?**

**Answer:** Based on our example, cash paid is \$2,087, and it takes 88,000 miles to get that ticket, plus \$83 in award-ticket taxes. So, on this ticket the value of a point is 2.3¢:  $\$2,004 \div 88,000 \text{ miles} = 2.3\text{¢ per mile}$ .

**Question: What is the risk when using miles if I decide to cancel my trip?**

**Answer:** First, keep in mind you cannot transfer All Nippon miles back to Amex points. If you cancel your trip the miles remain in the All Nippon mileage program and you would have to use them another time.

The fee to cancel an award and redeposit your miles is 3,000 miles per ticket, so it's a very small price to pay to put miles back in the All Nippon account.

### STEP #3: MAKE AN INFORMED DECISION

Let's now dive deeper into your decision-making process, based on what's important to you.

## FCF 2-Minute Decision Cheat Sheet

Condition	Decision	
Use cash	Use United miles	Use All Nippon miles
Must I earn elite status credit on this trip?	X	
Must I get a return on miles of at least 3 cents?	X	
Do I have lots of miles and/or points and care little about the return on them?		X
Do I want zero risk if I decide to cancel my trip?		X
Do I want the lowest mileage award rate and have access to Amex points?		X

Let's elaborate on this decision guide:

Do you need to *earn elite credit when you fly?* **Pay cash.**

Do you want the *highest return* on your hard-earned miles? **Pay cash.** As our example shows, buying the low-cost Business Class fare is the better option because the return on miles in this case is 1.7¢ or 2.3¢.

Do you want the *lowest award mileage cost and have access to Amex points?* **Pay with All Nippon miles** because All Nippon charges 32,000 miles less than United.

Do you have *lots of miles and/or points and not care about the return on miles or points so much?* **Pay with All Nippon or United miles.**

Do you want *zero risk* if you decide to cancel your trip? **Pay with miles**, because with non-refundable cash tickets you never get the cash back.

So, **it's a personal decision, depending on your situation** and what is **most important** to you.

## SWEET DREAMS ARE MADE OF THESE

You've got some thought processing to do. But in the current fare-and-miles availability climate, you can't lose. It's just a matter of maximizing the win. Go for it.

### MORE ON WHEN TO USE MILES AND TACTICAL FARES

**Using Miles When Value Is High:** Often when comparing using miles for First Class to buying a ticket with cash, miles is the best value as the return is high. For example, Cathay Pacific First Class: [New York to Hong Kong](#) costs \$34,100. It takes 250,000 miles to get that award (plus about \$133 for award taxes). The math:  $\$33,967 \div 250,000 \text{ miles} = \text{about } 13.6\text{¢ per mile}$ . Not bad.

In short, I say use miles for dream trips—big dream trips. Use miles for tickets you'd never pay cash for, like a \$30k New York-to-Hong Kong on Cathay in First Class. I'd be much less inclined to use miles for garden-variety trips, unless the fare creeps up very high and I'm not very flexible.

More examples: *All Nippon in First Class with Amex Rewards transfer points on the [San Francisco-Tokyo](#) of \$19,000+, or Singapore in First Class using Amex and Chase transfer points from [San Francisco to Hong Kong](#) for \$12,000+, or Cathay Pacific in First Class using Amex and Citi transfer points from [New York to Hong Kong](#) for \$34,000.*

## AIRLINE TACTICAL FARES

[The Tactical Fare Mindset](#) can be a game changer, as these fares can often be much better value than using miles. So the best time to get out FCF's template for decision making is when your destination has a tactical fare.

[Various types of tactical fares](#) include seasonal fares (Christmas, Easter, Thanksgiving, and certain summer months), low-cost destinations, low-cost departure cities, low-cost airlines, and low-cost advance-purchase fares.



# Coach Distancing with Premium Economy Upgrades for as Little as \$73 One Way

August 2020

## How to dodge coach for as little as \$8 per flight hour.

When Business Class fares are soaring, and coach is, well, coach... Premium Economy becomes an option. Especially when you can get those tickets at coach prices, or thereabouts.

### UNFRIENDLY BUSINESS CLASS FARES

On the major airlines to Asia, Business Class fares easily go for \$4,000 to \$8,000, depending on the route and

airline. To South America, they range from \$3,000 to \$4,500.

When low \$2,000-ish Business Class fares can't be found and mileage availability for an upgrade or free award isn't available, Premium Economy sticks its hand up and says, "I'm here, don't forget me."

## **WHEN PREMIUM ECONOMY MAKES SENSE**

Economy class is the pits and we never want our readers to be stuck there. Nobody really wants to be, but not everyone knows the many ways to avoid it. While we generally focus on Business and First Class, there are times when it just makes sense to consider Premium Economy (PE), such as:

- Family travelers: On a family vacation (do the kids really need to fly up front?).
- Employers: When you want to give your employees a perk.
- Business travelers: When sleep is secondary to working on your laptop or when your company travel policy or your client's budget is tight.
- Business Class travelers: For people accustomed to flying Business Class but don't want to spend between \$4,000 and \$8,000 to sit up front when fares are high, especially on a day flight. PE seats are in a separate cabin from coach and come with a leg and/or footrest and often with upgraded meal service. It may not be Business Class, but it isn't coach.
- Low-upgrade lovers: When the flight is non-stop, offers an international PE cabin, and the upgrade from economy is low.



## THE \$8-AN-HOUR UPGRADE

Flying from [Newark to São Paulo](#) round-trip is about 19 hours in the air non-stop on **United**. We've found a low-cost upgrade that equals about \$8 an hour. Coach is \$602, and **PE is \$748**. Divide the difference (\$146) by flight hours (19), and you get: \$8 an hour for a relatively significant upgrade.



United Premium Economy

Consider that the Business Class price for this route is about \$2,485. That's a whopping \$1,737 more than PE. In other words, you could buy about three tickets in PE for the cost of one ticket in Business Class for a family vacation.

## A BETTER-THAN-FREE LEG UP TO PE

If you fly “Economy Plus” on United, (which is coach with a bit of extra legroom), the upgrade to a Premium Economy seat is free. “Economy Plus” on [United Airlines](#) costs \$866, and \$916 once you add in a checked bag. So you’re WAY better off traveling in PE for \$748. You get a savings of \$118 over the “Economy Plus” fare for Premium Economy, a seat that gives you much more.

## MORE ROUTES WITH LOW-COST UPGRADES

Below are the cheapest “non-stops,” but many other U.S. cities also have low fares via a connecting flight.

### South America:

1. Miami-Rio de Janeiro is only \$143 more each way in PE with fares starting at \$706 round-trip on [American Airlines](#) non-stop. Business Class is \$2,561.
2. For the Atlanta-Santiago non-stop route on [Delta](#), the upgrade is \$99 each way in PE, starting at \$890 round-trip. Business Class is \$3,330.



American Airlines Premium Economy

### Asia:

1. Los Angeles-Tokyo non-stop on [Delta](#), where the upgrade is \$150 each way in PE starting at \$950 round-trip. Business Class is \$4,057.

2. Seattle-Tokyo non-stop on [Delta](#), where the upgrade is \$132 each way in PE starting at \$997 round-trip. Business Class is \$5,159.
  
3. Atlanta-Tokyo non-stop on [Delta](#), where the upgrade is \$150 each way in PE starting at \$1,378 round-trip. Business Class is \$6,434.



Delta Premium Economy

**Hawaii:** [American](#) has three non-stop routes that offer a low-cost upgrade:

1. Dallas-Honolulu, where the upgrade is \$150 each way in PE with fares starting at \$1,029 round-trip.
  
2. Dallas-Maui, where the upgrade is \$180 each way in PE starting at \$1,089 round-trip.
  
3. Dallas-Kona, where the upgrade is \$180 each way in PE starting at \$1,089 round-trip.

## CONNECTING FLIGHTS

Connecting flights can be added to the non-stops from many U.S. cities with American, Delta, and United, but the domestic leg that connects to the international leg is in coach. The same is true for onward travel connections where all travel legs are in coach. You can book connecting flights beyond the international leg, too. Again, those flights will be in coach.



## And other good domestic fares are still valid too.

With some states enforcing a 14-day quarantine for out-of-state residents, you may have to look to September and onwards for some travel. In the meantime, we encourage you to think positively and grab some of the stunning bargains we're finding—like ground-scraping Business Class fares on the transcon.

We reported on it [back in June](#) and we're happy to report that some of these good fares are still valid. But now things look even better, in other cases fares have dropped **by a whopping 47%**.

## TRANS CON PLUNGE-O-RAMA

America's most famous (and expensive) route is the transcontinental: Los Angeles/San Francisco-New York. The stuff of which dreams, movies, and empty wallets are made.

But in June, the fare for these round-trip Business Class flights nose-dived 35%. It went from \$1,417 to \$921 for a round-trip on Delta, netting you a savings of \$496.

And then on [July 28, JetBlue](#) dropped its fare to \$736 (Newark-Los Angeles) from the usual \$1,397. That's a **47% plunge**. Coast to coast with the most.

Not to be outdone, on [July 31, United](#) also dropped its fare to \$736 on the Newark-Los Angeles route, and began offering a fare of \$797 for Newark-San Francisco.

## STILL CALLING YOUR NAME

Transcontinental fares can easily run \$1,500+ if you're not careful and don't stay up-to-date with FCF's reports or fare alerts. So here are some welcomed discoveries:

Raleigh-Seattle, \$661

New York-San Jose, \$808

Sacramento-Miami, \$809

New York-Palm Springs, \$812

Los Angeles-Orlando, \$849

Seattle-Miami, \$885

Boston-Los Angeles, \$885

Philadelphia-San Francisco, \$885

Miami-San Francisco, \$905

Note that these fares are the same for both directions.

## BTW DON'T GET FOOLED ON THE UPSSELLS

Yes, those airline upsells are gonna get you. A checked bag here, a preferred seat location there, a tiny bit more legroom down there. But those minor creature comforts add up. So, you need to do the math and compare Business Class, which already includes those upsells, against that pimped-up economy seat. You'd be surprised by the lack of price difference between the two.

JetBlue's Even More Space section, which includes extra legroom, is \$466. Add a checked bag for \$60 and you're spending \$526 for what is essentially a bit more room in economy. Yet, JetBlue's lowest domestic Business Class fare is only \$737 (JetBlue Mint with a lie-flat seat), so you get domestic Business Class for only \$105 more in this scenario each way, or \$19 per flight hour. Hello upgrade.

## THE PRICE OF ELITE STATUS

Currently, we're seeing United undercutting American on the transcon route. It's \$736 on United (Newark-Los Angeles) while American's fares start at \$1,397 (JFK-Los Angeles). That's a difference of **47%**. The cost of being an elite-focused traveler on AA right now. If you are an AA elite who's locked *in*, then you're probably missing *out*.

## RISK OF BOOKING DOMESTIC TRAVEL WITH CASH

[American](#), [Delta](#), [United](#), and [JetBlue](#) all have a cancellation/change waiver policy for new tickets. These vary by airline and range from August 31 to September 8. The waiver does not give a cash refund on non-refundable tickets, but you can change your flight for free. However, you'll have to pay any difference in the fares.

If you have set dates for a birthday, special anniversary, or other definite events, now's the time to book domestic Business and First Class tickets.



# Tax Break: We've Found First Class Availability on Low-Tax Flights On Five Top Airlines

August 2020

**Emirates kicked it off with an 89% tax discount. Now others are following suit. But what's availability like with Emirates? And with First Class on All Nippon, Cathay Pacific, Japan Airlines and Singapore?**

When your name is First Class Flyer, you take a particular interest in the cabin up front. Indeed, First Class has been on our radar in a big way lately thanks to the cabin being phased out on a lot of airlines (Asiana pulled First Class from U.S. flights, Lufthansa is slashing First Class, Qantas isn't flying, Singapore has fewer routes) and to huge taxes being added to the cost of mileage-award tickets.

Taxes, grrrrrr. Hate 'em on the ground. Hate 'em in the air. Especially when they're at the level of highway robbery that airlines have been charging. I mean, \$1,500 to \$2,000 on top of a "free" award?! You can often buy a Business Class flight for that. Gimme a break...

## FIRST A TRICKLE, THEN A GUSHER

In [June](#), FCF reported that Emirates' new lower award taxes were offering **up to 89%** off First Class award tickets. At that time we checked more than 11 Emirates routes from the U.S. for First Class availability and found none.

Regular First Class travelers will know that mileage award space is often harder to find than a black cat in a coal mine.



Happily, that's all changed.

## EXAMPLE OF NEW LOWER AWARD TAXES WITH EMIRATES

**Dubai example:** On the New York-Dubai route in April, Emirates charged \$1,543 for award taxes. In May, those taxes were reduced to \$362 round-trip, a drop **of 76%**.

**Europe example:** On the Newark-Athens route last April, Emirates charged \$1,100+ for award taxes in First Class. In May, that was reduced to just \$125 round-trip, a plunge **of 89%**.

## WHAT ABOUT AVAILABILITY?

FCF has found **First Class award availability from nine U.S. cities on Emirates**, including Chicago, Dallas, Houston, New York, Newark, Orlando, San Francisco, Seattle, and Washington, DC, to Dubai and Europe, and for onward travel from Dubai to Auckland, Johannesburg, Malé (the Maldives), Melbourne, and the Seychelles. Those are international destinations that can easily run you \$12,000 to \$17,000 if you were to pay cash for the ticket.

There are four other airlines charging low-award taxes and with First Class award space available: Cathay Pacific, All Nippon, Japan Airlines, and Singapore Airlines, all for travel to Asia. We'll get to that in a minute. But first...

## BEFORE WE START, SOME COVID COVER

Of course, many international destinations aren't open for travel now, no matter what cabin you're keen to inhabit. But the opportunities FCF found are available for travel later this year and into 2021. So why not consider (and really look *forward* to traveling in) First Class when things open up again? Check out our special report about Covid-Forward Thinking [here](#).

I highly recommend grabbing that rare First Class mileage-award deal now because the risk factor when using miles is low. Think of the change and/or redeposit fee as an insurance policy. If your plans change or you just decide not to travel, for whatever reason, you can do so with little cost.

## A FIRST CLASS OIL STRIKE

When booking a mileage-award ticket in First Class, oil (black gold, Texas tea) is found by booking with an airline that:

1) has **low-cost award space available**, and

2) has **low-cost award taxes**, and

3) has easy **access to credit card point transfers, or**

4) has **access to buying points if you have no points.**

Emirates checks all those boxes.

This special report is not only about visiting Emirates Dubai hub, but also about using Dubai as a First Class entry point to Africa, India, other Middle East cities, and the South Pacific, using miles, for up to **58% off**. You can also fly Emirates to Milan and Athens from New York.

## **SURVEY OF EMIRATES FIRST CLASS AWARD AVAILABILITY**

[Chicago to Dubai](#) for travel October through March 2021

[Dallas to Dubai](#) for travel October through June 2021

[Houston to Auckland](#) for travel January to March 2021

[Houston to Melbourne](#) for travel January to March 2021

[New York to Dubai](#) for travel October to June 2021

[New York to Milan](#) for travel January to March 2021

[Newark to Athens](#) for travel October through May 2021

[Orlando to Dubai](#) for travel January to March 2021

[San Francisco to Dubai](#) for travel February through May 2021

[San Francisco to Johannesburg](#) for travel in March 2021

[Seattle to Johannesburg](#) for travel January to March 2021

[Seattle to Malé](#) for travel in October

[Seattle to Seychelles](#) for travel March through May 2021

[Washington, DC, to Seychelles](#) for travel in May 2021

## AMEX, CHASE, AND MARRIOTT ARE ALL EMIRATES TRANSFER PARTNERS AND MAKE IT EASY

Emirates is a point transfer partner with three credit card rewards programs: **Amex, Chase, and Marriott**, so you can transfer points to Emirates miles easily. Typically FCF research has found that the **transfer time from Amex and Chase to Emirates miles is instantaneous** (though this shouldn't be taken as a hard-and-fast rule). Also note that a transfer from Marriott points can take up to three days.

### Related Reads:

- Three Knockout Reasons Amex Rewards Beats Chase Rewards is [here](#).
- 80/20 in 2020—Putting the Pareto Principle to Work for a Better Travel Credit Card Life is [here](#).

## NO MILES? NO DRAMA. SAVE BY BUYING POINTS

You can buy up to 500,000 Amex Rewards points per year. They cost 2.5¢ each. Given that the baseline First Class fare is often \$15,768 from Seattle to Malé and that you can buy 270,000 Amex Rewards Points for about \$6,750 and that taxes with the Emirates loyalty program cost \$489, you save \$8,529, or **54%**.

### Related Reads:

- When to Buy Miles Instead of Purchasing a Normal Fare [here](#).
- How to Buy American Express Membership Rewards Points is [here](#).

## THE RISK IS LOW WHEN BOOKING MILES WITH EMIRATES

There isn't a high cost for changing or redepositing your miles with Emirates if your plans are altered: Change ticket fee: \$25. Redeposit miles fee: \$75. More [here](#) on our widget.

Route	Taxes for Emirates	Mileage Cost for Emirates*	Published Fare	Cost to Buy Amex Points	Savings
<a href="#">Chicago to Dubai</a>	\$363	217,500	\$12,491	\$5,438	\$6,691 / 54%
<a href="#">Dallas to Dubai</a>	\$363	247,500	\$13,947	\$6,188	\$7,397 / 53%
<a href="#">Houston to Johannesburg</a>	\$528	300,000	\$12,447	\$7,500	\$4,419 / 36%
<a href="#">New York (JFK) to Dubai</a>	\$363	217,500	\$11,892	\$5,438	\$6,092 / 51%

Route	Taxes for Emirates	Mileage Cost for Emirates*	Published Fare	Cost to Buy Amex Points	Savings
<a href="#">New York (JFK) to Milan</a>	\$117	135,000	\$5,817	\$3,375	\$2,325 / 40%
<a href="#">Newark to Athens</a>	\$125	135,000	\$7,019	\$3,375	\$3,519 / 50%
<a href="#">Orlando to Dubai</a>	\$363	217,500	\$13,687	\$5,438	\$7,887 / 58%
<a href="#">Seattle to Johannesburg</a>	\$489	300,000	\$12,053	\$7,500	\$4,064 / 34%
<a href="#">Seattle to Seychelles</a>	\$684	270,000	\$13,494	\$6,750	\$6,060 / 45%
<a href="#">Washington, DC to Seychelles</a>	\$564	255,000	\$12,415	\$6,375	\$5,476 / 44%

\*Transfer Credit Card Partner: Amex and Chase.

## FOUR OTHER “OIL STRIKE” AIRLINES THAT CHARGE LOW AWARD TAXES AND HAVE FIRST CLASS AWARD SPACE

### ALL NIPPON DISCOUNT FIRST CLASS OPPORTUNITIES

Here are our Alerts for First Class award space availability published in July for: [Washington, DC, to Tokyo for travel November to June 2021](#), [New York for travel in 2021](#), [San Francisco for travel September to June 2021](#), [Los Angeles for travel September to May 2021](#), and [Chicago for travel October to July 2021](#).

**Low-tax example:** On the [San Francisco to Tokyo](#) route last May, All Nippon charged \$268 for award taxes in First Class. Then in July, those taxes were reduced to just \$58 round-trip, a drop **of 78%**.

**No points or miles? All Nippon is a point transfer partner with Amex.** Buy Amex Rewards points at a cost of 2.5¢ each. Given that the baseline First Class fare is often \$20,800 from New York to Tokyo and that you can buy 150,000 Amex Rewards Points for about \$3,750 (and that taxes with the All Nippon loyalty program cost \$59), you **save \$16,991, or 82%**.

**It's low risk to change with All Nippon:** Dates can be changed for free. Other changes would be considered a cancellation at 3,000 miles per ticket. Our risk widget is [here](#) with details.

### CATHAY PACIFIC DISCOUNT FIRST CLASS OPPORTUNITIES

FCF's Alert last month showed First Class award space availability from [Los Angeles to Hong Kong for travel January to June 2021](#), [Boston to Hong Kong for travel November to July 2021](#), [New York to Hong Kong for](#)

[travel November to July 2021](#), and [Chicago to Hong Kong for travel November to May 2021](#).

**Low-tax example:** On the Los Angeles-Hong Kong route, Cathay Pacific charges \$133 for award taxes in First Class.

Cathay Pacific is a point transfer partner with three credit card rewards programs: Amex, Citi, and Marriott.

**No points or miles?** Buy Amex Rewards points for 2.5¢ each. Given that the baseline First Class fare is often \$34,100 from New York to Hong Kong and given that you can buy 250,000 Amex Rewards Points for about \$6,250 and that taxes with the Cathay Pacific loyalty program cost \$133, you **save \$27,717, or 81%**.

**Low risk when booking miles with Cathay Pacific:** Charge per flight sector: \$25 or 1,000 Asia miles, online. Redeposit miles fee: \$120 or 12,000 Asia miles. Our widget is [here](#).

## JAPAN AIRLINES DISCOUNT FIRST CLASS OPPORTUNITIES

We found First Class award availability from [Chicago to Tokyo for travel in July 2021](#), [New York to Tokyo for travel in July 2021](#), and [San Francisco to Tokyo for travel in June 2021](#).

**Low-tax example:** On the [San Francisco to Tokyo](#) route in April, Japan Airlines charged \$357 for award taxes in First Class. In July, taxes were reduced to just \$62 round-trip, a drop **of 83%**.

Japan Airlines is a point transfer partner with Marriott.

**Low risk when booking miles with Japan Airlines:** Redeposit/change mileage ticket cost: 3,100 yen (about \$30 USD). [Link](#) to widget.

## SINGAPORE AIRLINES DISCOUNT FIRST CLASS OPPORTUNITIES

First Class award space availability was found (as reported in our Sweet Redemptions alert in July) from [Los Angeles to Tokyo for travel December to June 2021](#).

**Low-tax example:** On the Los Angeles to Tokyo route, Singapore charges \$120 for award taxes in First Class.

Singapore Airlines is a point transfer partner with four credit card rewards programs: Amex, Chase, Citi, and Marriott.

**No points or miles?** Buy Amex Rewards points for 2.5¢ each. Given that the typical First Class fare is often \$17,372 from Los Angeles to Tokyo and that you can buy 214,000 Amex Rewards Points for about \$5,350 (and that taxes with the Singapore loyalty program cost \$120), you **save \$11,902, or 69%**.

**Low risk when booking miles with Singapore Airlines:** Change of date, route, cabin class, or award type on Singapore Airlines costs \$25. The redeposit miles fee is \$75.

**RELEVANT MUST READ: Mining for Miles Availability: 10 Common Mistakes Most Travelers**

**Make:** Up your odds with the [special report](#) that will level up your mile-mining game like a pro in no time.



# Five Positive Trends in Loyalty Programs Thanks to Covid

August 2020

## Why your hard-to-love loyalty program deserves some attention right now.

You know that loyalty program of yours that's been festering on the couch for years watching TV and eating tater tots?

Complacency can do that to a relationship... All take and no give can happen. For a long time, your loyalty program ("loyalty"—that's a good one) has slowly devalued itself, offering you less and less value. "Grab me another cold one, will ya?"

Well, that loyalty program, and many others just like it recently got a massive kick in the patootie from a pandemic.

Suddenly, loyalty programs are jumping up off the couch, hitting the gym, and buying flowers for their members (metaphorically, of course). I'd say they're whispering sweet nothings too, but I'd rather not highlight that sweet nothing is what they've been doing for far too long.

## I WILL ALWAYS LOVE YOU (FOR THE TIME BEING ANYWAY)

We saw the first signs of consumer-friendly mileage/loyalty program activity when major airlines like American, Delta, and United started offering **unprecedented mileage award space** with savings of up to 75%. We detailed it [here](#), [here](#), and [here](#).

Then there were **waivers for redepositing miles** (see FCF's widget [here](#)), effectively rekindling some of that lost love to help with the times.

Then we saw **airlines selling miles cheap and often**—a recent [United sale had them as low as 1.75¢](#), and [American as low as 1.7¢](#).

Then we saw the **lowering of mileage award taxes by [up to 89%](#)**.

And now we're seeing **extended expirations on award miles**.

Isn't it nice to hear a bit of good news? Even if it does make you even more cynical about loyalty programs. I've been cynical about them for a decade, but hey, let's make *hay* while the sun shines.

We're in a new era all the way around. As a result of covid, loyalty programs have ramped up their benefits. Let's review the details and take advantage while we can.

## HOW DOES MY LOYALTY PROGRAM (NOW) LOVE ME? LET ME COUNT THE WAYS



## ROSE #1: UNPRECEDENTED MILEAGE AWARD SPACE

*"My biggest frustration is the fact that the big three U.S. legacy carriers rarely offer premium seat availability on international flights. Earning miles and points is not the problem. The issue is using them effectively!"*

We've gotten that comment in one form or another many times throughout a recent FCF membership survey.

Back in April, [American Airlines increased their availability of discount miles tickets up to 1,689%](#), [Delta's went up to 10,800%](#), and [United's went up to 6,850% of new MileagePlus discount availability](#). Yes, Covid is the cause and yes, flying is problematic in a pandemic. But the fact remains, opportunities are there if you want to take them, and many do, if only for travel later this year and next year.

In May, there were [unprecedented miles \(and points\) opportunities available for premium cabins](#) with American, Delta, and United. We also found opportunities in First Class with notable airlines such as Singapore Airlines to Tokyo; Emirates to Athens, Milan, and the Middle East; All Nippon and Japan Airlines to Tokyo.

In June, we saw [unprecedented mileage award availability for dreaming, booking, and saving now, for travel later](#) with All Nippon, Cathay Pacific, Japan Airlines, Singapore Airlines, and more.

Then in July, FCF found more amazing mileage award availability for dreaming, booking, and saving now, for travel later. See our special report on Emirates, All Nippon, Cathay Pacific, Japan Airlines, and Singapore in **First Class** [here](#), and our FCF survey of unprecedented mileage availability (aka "Sweet Redemptions") that we published last month. These deals are on major airlines and most are live today. They're valid for travel later this year and/or into 2021 [here](#).

## ROSE #2: WAIVER FOR REDEPOSITING YOUR MILES

In April, [airlines included mileage award tickets in their "change fee waiver" policies due to the virus](#). The policy does vary by airline (see our widget [here](#)), but in general, the policy waives the redeposit fee for mileage award bookings. That takes a lot of pressure off the "to book or not to book" question. Many of the waivers are still in place with the airlines at time of publishing.

## ROSE # 3: AIRLINES ARE SELLING MILES VERY CHEAP

United Airlines sold miles for as low as [1.7¢ each in May](#). LifeMiles sold for as low as 1.3¢ in June. Alaska Airlines miles were down to [1.7¢ in June](#) and [1.8¢ in July](#). American Airlines' April promotion had miles for sale from [1.6¢](#) and in July for [1.7¢](#), and [Air France/KLM FlyingBlue](#)' program had miles on sale for 1.6¢ in July. For reference, the normal cost for buying miles is up to 3.5¢ a pop. Who said money can't buy love?

## ROSE #4: NEW LOWER AWARD TAXES, UP TO 89% OFF

We first touched on this in June, when [Emirates' slashed their award taxes by up to a whopping 89%](#). Since then First Class availability has opened up on many routes. To learn more go [here](#). Let's break down what that means:

**Dubai:** On the New York-Dubai route in April, Emirates charged \$1,543 for award taxes. In May, those taxes were reduced to \$362 round-trip, **a drop of 76%**.

**Europe:** On the Newark-Athens route in April, Emirates charged \$1,100+ for award taxes in First Class. In May, those taxes were slashed to just \$125 round-trip, **a Parthenon-sized drop of 89%**.

**Asia:** In July, All Nippon and Japan Airlines reduced their mileage award taxes by **up to 83% to Japan**. ANA charged \$268 for award taxes in First Class. And then in July, taxes were reduced to just \$58 round-trip, a **drop of 78%**, and enough to buy you a drop of very nice champagne. Japan Airlines: charged \$357 for award taxes in First Class and then in July they reduced them to just \$62 round-trip, a **drop of 83%**.

## ROSE #5: EXTENDED EXPIRATIONS ON MILES

With some airlines, buying and transferring miles or points to build up a war chest can be risky. That's because the airlines typically set an expiration date that you need to use them by. If you leave them too long: whoosh. Gone. In July, Air Canada made a change. Their miles now expire after 18 months of account inactivity, instead of 12 months. We're hoping that signals a change across the board.

## WHERE TO NOW, MY LOVE?

What other consumer-friendly mileage program changes will the airlines come up with? How long will this new trend last? Who knows, but now is the time for you to take advantage.

While we're in the throes of romance, here is my sonnet of other consumer-friendly items that could be added:

- More airlines, such as Lufthansa, British Airways, and SWISS, lowering award taxes
- American Airlines miles never expiring
- Airlines and programs selling miles even lower, at 1.5 cents
- More partner award space availability

Am I dreaming? Time will tell. But six months ago, I never thought we'd be writing a report like this. In the meantime, I'll see you up front.



Yes, loyalty programs are lining up to woo you. Hot stuff, huh?



# Air Canada Busts the U.S. Border With Covid Fares to Asia Up to 74% Off

August 2020

**Make a connection on Air Canada and get a 3-for-1; leaves elites to pay through the nose; plus get optional Canada exploration(s) for free.**

Imagine you're planning to go to dinner at your favorite sushi restaurant. The taxi driver tells you he can drive straight to there for \$20 OR he can go via the ice rink (which is nearby) and it'll only cost \$7. Why not pass by the ice rink on the way to get a deal like that? And hey, you could even get in a little skating.

Which brings me to flying to Asia—Japan specifically. If you go via Canada, you can save big right now—**up to 74%.**

## SAMPLE LOW FARES TO JAPAN CONNECTING VIA CANADA WITH AIR CANADA

Here are some low fares you can expect for travel **October through June 1, 2021:**

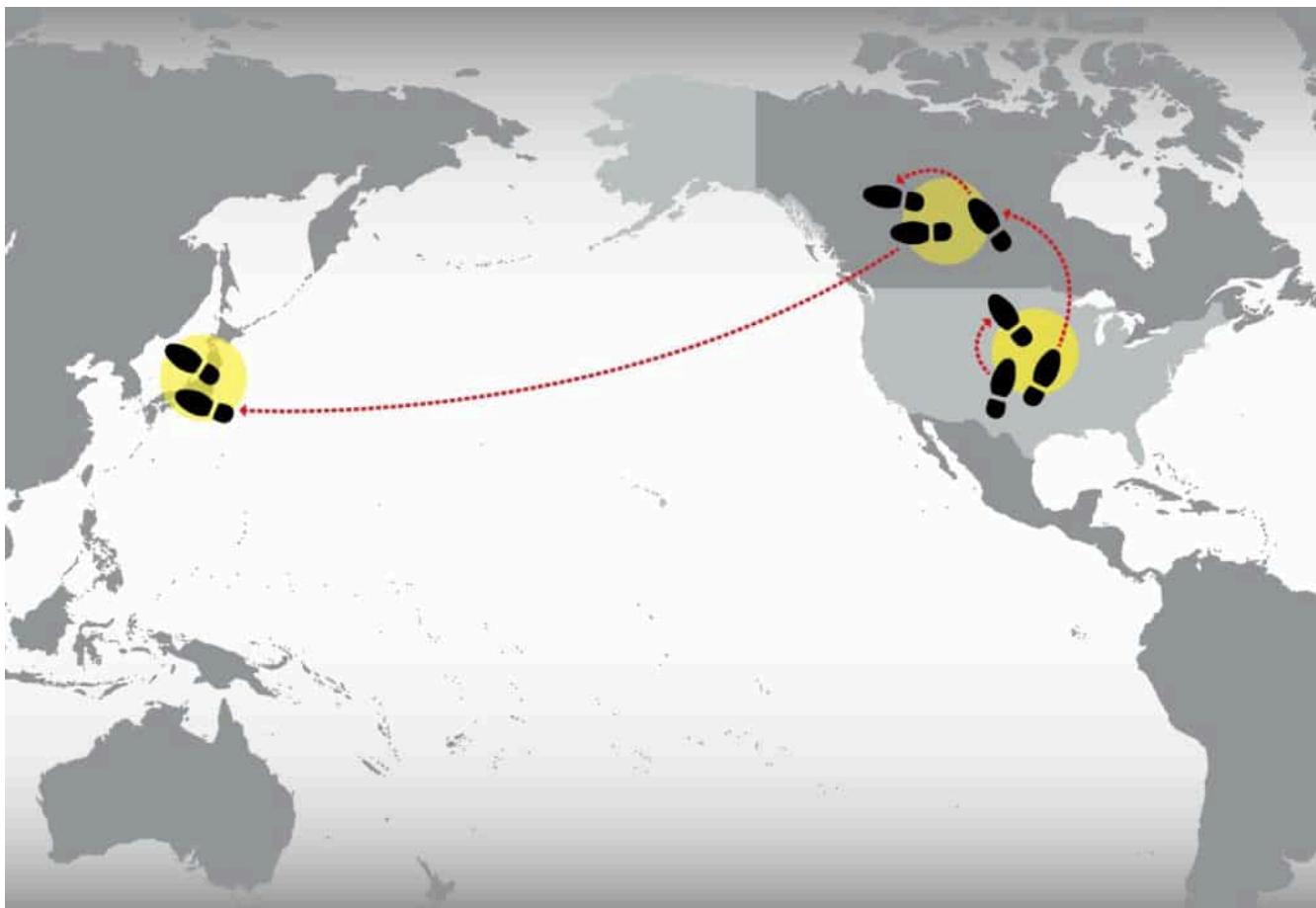
- \$2,265 New York
- \$2,367 Chicago
- \$2,515 Washington, DC
- \$2,752 San Francisco
- \$2,948 Houston

Now compare those with typical non-stop fares from the U.S.

- **\$7,051 to \$8,560 from New York** on All Nippon, Japan Airlines, and United
- **\$7,051 to \$8,551 from Chicago** on All Nippon, Japan Airlines, and United
- **\$7,251 to \$9,751 from Washington, DC**, on All Nippon and United
- **\$7,000 to \$8,500 from San Francisco** on All Nippon, Japan Airlines, and United
- **\$7,557 from Atlanta** on Delta
- **\$7,051 to \$8,551 from Houston** on All Nippon and United
- **\$7,529 from Dallas** on American and Japan Airlines

U.S. Departure City	Air Canada Fare	Non-stop Fare	Savings
New York	\$2,265	\$8,560	<b>\$6,295 / 74%</b>
Chicago	\$2,367	\$8,551	<b>\$6,184 / 72%</b>
Washington, DC	\$2,515	\$9,751	<b>\$7,236 / 74%</b>

U.S. Departure City	Air Canada Fare	Non-stop Fare	Savings
San Francisco	\$2,752	\$8,500	\$5,748 / 68%
Atlanta	\$2,934	\$7,557	\$4,623 / 61%
Houston	\$2,948	\$8,551	\$5,603 / 66%



For a cheaper way to Asia, do the Canada Cancan.

## ELITES PAY THROUGH THE NOSE

Currently, we're seeing Air Canada undercutting all major U.S. airlines (American, Delta, and United) from their major non-stop hub cities.

**American example:** It's \$3,087 from Dallas to Tokyo on Air Canada, while American's fares are often \$7,529. That's a difference of **\$4,442/59%**.

**Delta example:** It's \$2,934 from Atlanta to Tokyo on Air Canada, while Delta's fares are often \$7,557. That's a difference of **\$4,623/61%**.

**United example:** It's \$2,515 from Washington, DC, to Tokyo on Air Canada, while United's fares are often \$9,751. That's a difference of **\$7,236/74%**.

It's the cost of being an elite-focused traveler. If you are an elite who's locked in, then you're missing out.

## ANOTHER PERSPECTIVE: LOW-COST UPGRADES FROM PREMIUM ECONOMY

For travel October through June 2021, you can book New York to Tokyo in Business Class on Air Canada for just \$2,265 with one connection. Premium Economy during the same time window is \$1,874 for a nonstop flight on All Nippon. So that's \$195 more each way, or \$14 per flight hour to upgrade. That's why it's super important to check those prices before committing to a cabin right now.

## BUT YOU CAN'T GET INTO CANADA NOW, RIGHT?

That's right, Canada is closed for business from the U.S. due to covid, but a [transit](#) (connection) through Canada to another country from any location is permitted. So if Japan is on your radar, it's a good opportunity to lock in a great price via Canada. Plus, if you decide to stop in Canada (more on 2-for-1 and 3-for-1 strategies below) the information in this report is for 2021 travelers or later in 2020. And don't worry—these fares are valid for travel well into next year too.

## WHILE YOU'RE THERE

This northern dance-step on the way to Japan lands you in one of the planet's most spectacular countries. Canada is awesome (see some highlights further below). So why not parlay the savings you make on your Japan visit into a Canadian side trip too? **The Canadian dollar is greenback-friendly with one U.S. dollar = \$1.36 Canadian dollars at time of writing.**

## HOW TO USE OUR 2 CITIES-FOR-1 STRATEGY

Let's say you want to travel from New York to Tokyo and the lowest Business Class fare is \$2,265 round-trip with Air Canada. Now, for \$2,302, just \$37 more, you can fly from New York to Tokyo with a stop in Toronto.

FCF research found that the free enroute stopover strategy in Toronto works when traveling from Atlanta, Chicago, Dallas, Houston, New York, and Washington, DC. From San Francisco to Tokyo, the free enroute stopover is allowed in Vancouver.

We've written about this strategy a number of times over the last few months. Check out these great opportunities: [TAP Air Portugal with a Lisbon stopover](#), [British Airways with a London stopover](#), [Lufthansa and SWISS with a Frankfurt, Munich or Zurich stopovers](#), and [Austrian Airlines, Brussels Airlines, and SAS with Vienna, Brussels, and Copenhagen stopovers](#).

## HOW OUR 3-FOR-1 STRATEGY WORKS: THE OPEN JAW

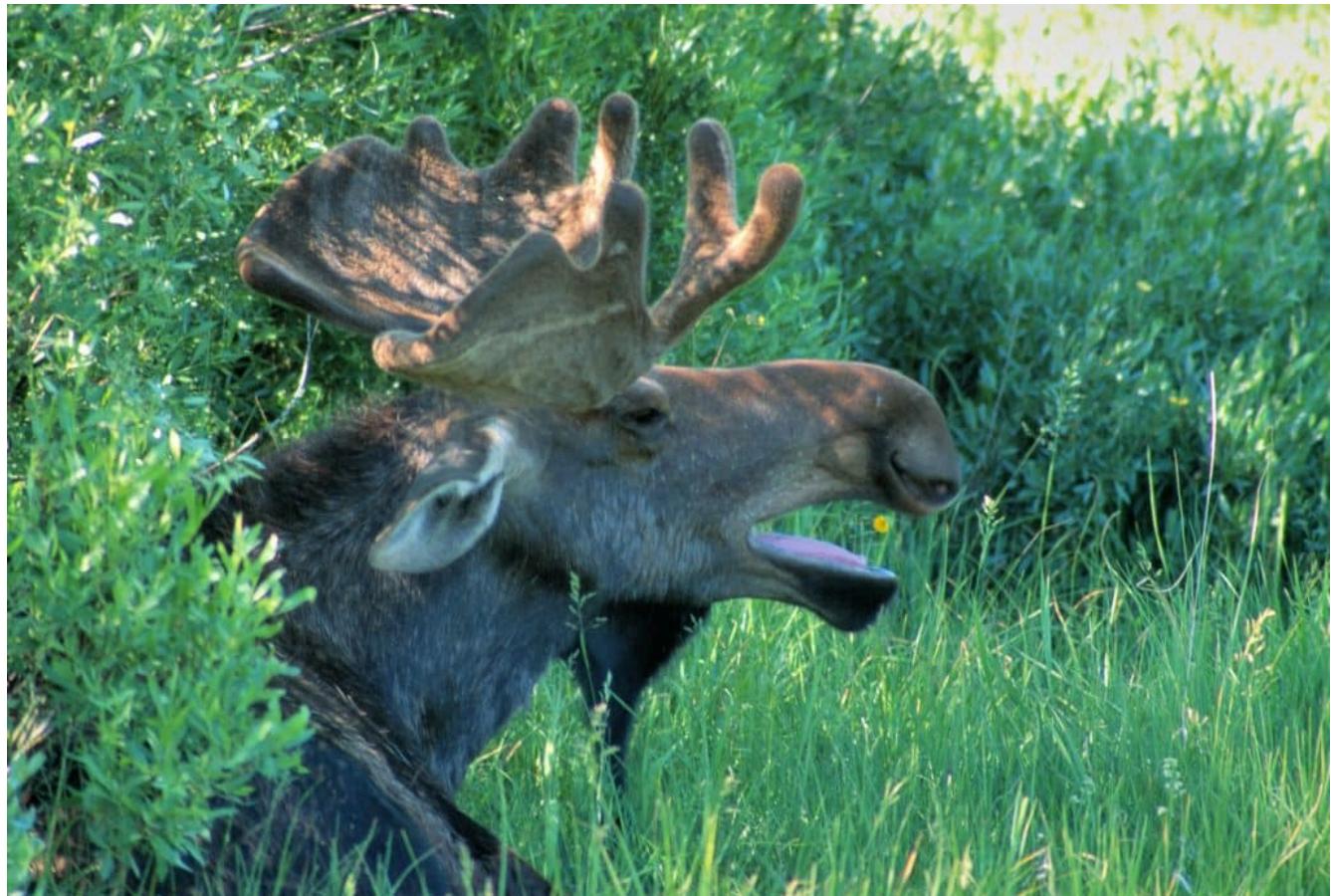
3 for 1! Now the dance is getting jaw-droppingly frenetic. Speaking of which, the open-jaw strategy makes for big savings. Let's have a look.

Most people fly point-to-point and back (A-B-A). On the other hand, an open-jaw strategy means keeping your plans open. For example, flying to one city and returning from another.

**Buy two one-way tickets:** New York to Toronto (\$262 one-way on Air Canada) and return from Vancouver back to New York (\$430 one-way on United) goes for \$692 in Business Class booked as two tickets. That way you can spend a few days in Toronto before you go to Japan, and a few days in Vancouver on your return.

Here's an example of a textbook open-jaw itinerary: fly from Toronto (city A) to Tokyo (city B), and then return to Vancouver (city C) from Tokyo (city B). Toronto to Tokyo and returning back to Vancouver costs \$1,928 round-trip non-stop on Air Canada in Business Class right now.

That gives us a total cost of about \$2,620 for three destinations. If you were to only fly from New York to Tokyo in Business Class it would cost \$8,560 non-stop on All Nippon. **So that open-jaw itinerary gives you a savings of \$5,653/66%, and two more destinations.**



The Canadian Open Jaw

## THE RISK OF BOOKING TICKETS NOW

Due to covid, many airlines have new "change fee waiver" policies in place for non-refundable tickets. Policies vary by airline, but in general, the policy waives change fees if you decide not to travel. See FCF's risk-of-

booking widget [here](#) for Air Canada. The current change policy allows a one-time change without a fee for travel before August 31, 2021, and new travel must be completed by August 31, 2022.

## **DON'T USE MILES TO UPGRADE WHEN FARES ARE LOW**

You can book and buy an economy ticket on United from Newark to Tokyo for \$1,270 (V class) and pay a co-pay of \$1,000 (total \$2,270) and 60,000 miles round-trip to upgrade. Or you could book Air Canada in Business Class to Tokyo for just \$2,265.

## **OH CANADA**

The world's second-largest country is big on spectacular sights. Here are some of the highlights:

- Whistler, the largest ski resort in North America.
- Magical Vancouver Island. Get your camera ready.
- Montreal, Canada's culture capital, a little piece of Paris.
- Banff National Park: stunning natural scenery that words do no justice, and nearby Lake Louise and Jasper National Park
- Go to a hockey game and witness this national sport from a Canadian vantage point.



Lake Louise

Don't forget, the Olympic Games in Tokyo have been rescheduled for July and August 2021. This could be a great way to do it.