

Frequently Asked Questions



1. What is Lufthansa City Center?

The Lufthansa City Center (LCC) travel agency franchise concept is an affiliation of travel agency entrepreneurs, combining the flexibility and expertise of independent and IATA-licensed travel agencies with a complete service portfolio and world-wide recognition of its brand and its products.

With more than 650 LCC partners in 88 countries around the world, the network and brand has seen rapid growth since its introduction into the market in 1991. LCC is the largest travel agency network world-wide. It ranks among the leading industry players internationally and our continuous success over the past twenty years of the company's development is proof of the integrity of the Lufthansa City Center concept, quality and stability. LCC members around the world turn over some 5 billion EUR per year.

2. What are the most important selection criteria for new LCC Partners?

LCC requires financial stability and most importantly reliable partners with a long-term commitment, who instinctively understand the complexity of the travel industry in an ever-changing market.

- ✓ IATA License
- ✓ Complete agency portfolio (air, car, hotel, tours, etc.)
- ✓ Established local reputation
- ✓ Natural Lufthansa affinity
- ✓ Stable financial background
- ✓ An employee team of experienced professionals
- ✓ English speaking management and frontline staff
- ✓ Independence – no affiliation to an international travel network/ consortia / chain

3. Does the image of Lufthansa City Center have an influence on the relationship with other suppliers?

No, it does not affect your individual supplier relationships. However, the majority of suppliers are aware that LCC is a strong, global quality travel agency chain and this position results in good relationships. To reinforce the positive market reputation, you should proactively inform your suppliers, customers and employees when becoming the selected Lufthansa City Center member in your area.

4. Does an LCC have to sell only Lufthansa tickets or more Lufthansa tickets?

No, it is not mandatory to sell solely or more Lufthansa tickets. Nevertheless, an LCC office should have a natural affinity towards LH. With a close relationship to the local LH sales team, most LCC offices automatically sell more LH tickets. In general, an LCC owner is required to follow LCC Headquarters' sales strategy according to our preferred supplier portfolio. Our recommendations are based on central incentive and marketing agreements, from which the entire LCC network benefits.

5. Does an LCC get preferred treatment from LH?

Possibly. Your own individual positive performance and activity may result in special local treatment, as both "Lufthansa" and the LCC are interested in maintaining an excellent close co-operation. LCC is an independent travel agency chain and LH treats LCC offices accordingly. LCC Headquarters does not hold a global incentive agreement with "Lufthansa", but does have a global marketing agreement.

6. Does an LCC get other benefits from LH?

Yes,

- The biggest benefit from being an LCC is the positive image transfer: having the strong brand of the world-class company "Lufthansa" in your name. Lufthansa City Center stands for quality, reliability,

security and competence. The addition of the LCC name to your company name will increase your local recognition.

- LH co-operates closely with each LCC and your local LH representative will consult with you frequently and plan sales activities and strategies with you upon request.



7. Can we keep our locally and established business name logo and branding?

Yes, you can keep your local logo. However, this logo must not appear in direct connection with the Lufthansa City Center branding i.e. your new co-branding. As a leading travel agency chain, strong brand recognition remains a key success factor. To strengthen the LCC brand, it is vitally important for all LCC members to have a common appearance in the individual markets. In contrast to our competition, at LCC we believe in **co-branding**:

Miller Travel + Lufthansa City Center = Miller Travel Lufthansa City Center
local name chain name strong brand name

With such a strong individualised brand name combination, additional logos may not be added, especially for international sales activities you shall use your new LCC co-branding, not your local business name.

8. Do all my branches need to become Lufthansa City Center agencies?

No, you may start with one LCC office location. Of course, it is more comprehensive for your customers and employees to have all your travel agencies under the same umbrella. We offer attractive reductions for your additional branch offices.

9. Can I use the special LCC products & tools in my affiliated non-LCC branches?

No, the products and tools are only available to your actual LCC location and not to your non-LCC branches. However, if you wish to include additional branches into the LCC network, a product service fee reduction between 25% and 50% can be obtained.

10. How long is the duration of the contract?

It is 5 years. Our company aim, philosophy and key success factor is commitment. LCC believes in long-term partnerships and strives to maintain and enhance existing relationships. Therefore, the duration of our contract is five years and automatically extends for another year (each time) if it is not cancelled by either party.

11. What is the difference between Travel Shop (TS) & Corporate Travel Office (CTO)?

The **“type of office”** you may opt for depends on your main business focus and clients.

Criteria for Travel Shop (TS)

- Public access
- Handling walk-in clients
- Mainly business in private & leisure travel sector
- Full LCC Travel Shop concept to be implemented

Criteria for Corporate Travel Office (CTO)

- Non-public access
- No walk-in clients
- Specialized in corporate travel
- Regional & local business
- Only certain LCC CI-elements to be installed

12. What is a Local Country Organization (LCO)?

More than 10 LCC members are needed within a country to create a Local **LCC** Country Organization. The aims of this group are to increase the benefits for all its members, to simplify the communication and to ensure the efficient transfer of know-how. An LCC Country Organisation supports nation-wide corporate, purchasing and marketing activities and consolidates the regional interests of its members. Consequently, an LCO is an intermediary level between the single LCC and LCC Headquarters.

13. Do I receive territorial protection as an LCC?

No, to define a territorial protection per region from a central point of view would be too difficult to establish. Therefore, LCC Headquarters counts on fair competition between members and treats all LCC partners equally. In very small cities exceptions can be made and exclusivity can be granted.

14. Which Global Distribution System (GDS) does LCC prefer?

Amadeus is the preferred GDS of LCC. It offers a wide range of products and tools, which are unique and only run on the Amadeus platform. More than 80% of all LCC offices work with Amadeus, so an dedicated LCC can expect to benefit from excellent pricing and service, special key account advantages and access to annual meetings. Please note that there may be variations in local Amadeus service availabilities from market to market. The second preferred GDS of LCC is SABRE. LCC HQ holds a global incentive and marketing contract with both GDS.

15. What do I need to bring in financially within the first year?

Depending on your set-up and month of joining, it may range between 3.500 EUR to 10.000 EUR.

16. What is my return on investment of joining LCC?

Monetary return on investment

Due to global preferred supplier agreements, you can profit from overrides, incentives, preferred product and technology prices, along with central services and support from LCC Headquarters. This way you can immediately save costs in your travel agency.

Non-monetary return on investment

The non-monetary benefits from the LCC network are less easy to measure but definitely more lucrative.

- The internationally recognized quality **brand name** offers opportunities to increase your business and carrying the well recognised brand “Lufthansa” is of uncountable value. Very often multinational abilities are important criteria for gaining and securing clients.
- Also, within the **LCC network** you can earn new business from other LCC members e.g. in the area of incoming services and corporate, multinational accounts.
- The **exchange** of experience and knowledge between LCC members is guaranteed through regular personal contacts during LCC meetings and events.
- LCC Headquarters offers support through **specialists** with long-term experience in such areas as Marketing, Corporate Sales, MICE, Central Purchasing, TQM, Training, Branding and Products.
- In addition, a wide range of **technological products** enable LCC members to benefit from sophisticated solutions and new tools as they become available.

17. Why should I choose the LCC Franchise system instead of another Franchise?

In contrast to our competitors, the following aspects are unique to the LCC concept:

- **Co-branding**

Within the LCC concept, there is a **unique** and clear co-branding approach: Your agency name is combined with the LCC brand and forms one logo. Thus, your locally established name is enhanced by the positive image transfer from a globally recognized name: “**Lufthansa**”.

- **Base concept for all**

Optional corporate and incoming concept modules are available. You can choose to add the Business Travel license, GT license or GIN certification.

- **Complete portfolio for corporate & leisure business**

The comprehensive central LCC portfolio offers sophisticated products & services to both corporate and leisure oriented agencies. We are the only travel agency chain with a 360° view and alignment of our franchise members including your customers and suppliers. We invest to support your business.

- **Active influence**

Any LCC may apply for a seat in the LCC boards and committees, which are assigned in a formal election process. Within the various LCC bodies, members can then gain influence on further concept developments. This means that any LCC regardless of size and origin has a chance to actively shape the future of LCC.

- **Independent entrepreneurship**

LCCI offers you a franchise concept, which means we work exclusively on a franchise basis worldwide. We trust in your local expertise and believe in your entrepreneurial drive and freedom under our global umbrella.

- **Truly global network – biggest Travel Agency Franchise in the world**

Receive access to a network of 620 live-minded travel agencies from 87 countries. Profit from a high level know-how exchange!

Above that:

- Receive commercial profits from global supplier deals
- Increase purchasing power via LCCI Central Purchasing for travel technology
- Receive marketing support from LCCI to increase brand awareness locally
- Get access to our international employee & management training centre (face2face & online)
- Compete in the multinational business account scene

18. What does Global Travel mean?

Lufthansa City Center Global Travel is a network of high profile, international and corporate oriented travel agencies and is part of the Lufthansa City Center worldwide organization. LCC Global Travel focuses on providing high level Business Travel Solutions to multinational corporations according to highest LCC quality and technology standards. Nowadays LCC Global Travel network consists of 30 agencies in all parts of the world.

19. What requirements does an agency have to fulfil to become LCC Global Travel Partner?

- Focus on multinational corporate travel
- Actively seeking for new multinational sales opportunities
- International existing customers in your agency portfolio
- Willingness to share information about existing international customers and to provide data to HQ – we will import basic customer information into our CRM system
- Implemented designated LCC reporting system (e.g. iBank) or willingness to implement it
- Existing Online Booking Tool or willingness and ability to implement it
- Readiness to constantly communicate and to share information within the LCC Global Travel member network
- Commitment to participate in regular LCC Global Travel sales calls as well as in all relevant LCC Global Travel events / meetings
- Commitment to invest in corporate technology & products i.e. LCC Common Platform
- Commitment to the corporate brand:

Global Travel 

 **Lufthansa
City Center**

20. Will Lufthansa City Center Global Travel bring us new business?

The amount of new business LCC Global Travel is able to bring to each member depends on willingness and proactive handling of all LCC Global Travel members within the network. On one hand each LCC Global Travel member should go through his existing customer list and should evaluate which companies could be interested or have potential for Travel Consolidation. The LCC Global Travel team at HQ will support you in this. On the other hand you may be aware of some international RFPs running, but your agency is not able to participate because you cannot cover several countries. In this case please forward this RFP to LCC Global Travel team at HQ and we will prepare RFP documents. We ensure that agency that provides us with RFP information will get business in respective country in case of a project win. This refers not only to LCC Global Travel agencies but also to all LCC agencies worldwide – provide us with information about international RFPs and we will do our best in order to get business for you and other LCC Global Travel members. Only readiness to share and exchange information within the network will bring additional business to each network member. LCC Global Travel team is there to support you in this process doesn't matter if it's an international RFP, call with potential customer or solution presentation at customer's venue.

21. What is the difference between Global Travel and other TMCs?

LCC Global Travel is an independent, powerful network of high profile, owner-managed travel management companies, uniting the elite of carefully selected, excellent entrepreneurs with broad and proven expertise as well as a core focus on multinational corporate travel. LCC Global Travel provides for international corporations of any industry an unparalleled seamless global travel management service experience above and beyond any expectation, with a common best-in-class technology platform and homogeneous quality standards across the globe. Unlike call centres, the LCC Global Travel boutique-style corporate travel solution combines utmost dedication with highest performance, productivity and cost efficiency for international companies.

22. What is Business Travel?

Qualified LCC members may obtain a Business Travel license on top of the basic Lufthansa City Center agreement. Business Travel flags all Lufthansa City Center locations that particularly focus on travel management services and which are ready to respond to the needs of local and national corporate accounts. The LCC Business Travel License is the prerequisite for being appointed a LCC Global Travel Member.

Characteristics of Business Travel members are:

- Seeking actively for corporate accounts
- Dedication to the corporate concept
- Highest level of quality for corporate accounts
- Readiness to attend with regular meetings
- Commitment to invest in corporate technology & products i.e. LCC Common Platform
- Commitment to the corporate brand:

Business Travel 

 **Lufthansa**
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23. Who is the target group of the LCC Global Incoming Network (GIN)?

LCC GIN has been made for all LCC worldwide: those LCC wanting to **sell** their own unique products worldwide and those LCC wanting to **buy** exclusive products from like-minded agencies in the world. All LCC automatically have a GIN Buyer access via the LCC Extranet and selected LCC can also sell their products on the GIN marketplace. Customers who long for new experiences – authentic, off the beaten track and beyond standard catalogue offers, are the ones in focus.

24. What is the aim of LCC GIN?

LCC GIN has the aim to simplify and intensify the business exchange process between LCC in the leisure and Meetings, Congresses, Incentives & Event (MICE) segments. LCC GIN creates full transparency on service

capabilities of LCC Sellers, so that LCC Buyers can find their ideal service provider with just a few clicks in the LCC GIN marketplace.



25. Do I have to sign a contract to be part of LCC GIN?

As a buyer, all you need to do is accept the LCC GIN terms & conditions once when logging onto the LCC GIN marketplace for the first time. Afterwards, you will be asked to approve the terms & conditions again every 6 months.

As a seller, signing a LCC GIN membership contract is required. The contract is set out for 2 years and the pricing model depends on the annual turnover of the participating LCC. A certification by LCC HQ based on special standard and quality needs is a possibility, of course.

26. What is my benefit with GIN as franchise member?

As a buyer, you can benefit from extraordinary offers, which you cannot find in any catalogue and which carry the authentic and unique LCC signature. Find the right fit for your advanced traveller clientele and inspire your customers with out-of-the-box ideas for custom-made trips. Designed with decades of experience, you can be sure that your customers are in the best possible hands with LCC colleagues around the globe.

As a seller, use this newly created opportunity to market your expertise globally: Use the potential buying force of many hundreds of LCC experts and place your offers along with a full description of your service capabilities in the LCC GIN marketplace. This marketplace will be the dominant channel for years to come, and a place where LCC offices worldwide do business.

27. Useful Links

General LCC movie

<https://www.youtube.com/watch?v=4sfOkDF1QS4>

LCC Global Incoming Network (GIN) movie

<http://www.youtube.com/watch?v=W6DFcUJq8rw&feature=youtu.be>

LCC Global Travel movie

<https://www.youtube.com/watch?v=LNFCRJj43Bc>

Additional info on the Lufthansa City Center Network

<https://lufthansa-city-center.com/leisure/en/become-a-member-of-lcc>