

1. Availability of 'Classic' Rewards in Premium Cabins.

Qantas has over 12 million frequent flyer members. It advertises the illusion of using frequent flyer points for a flight. However, for example, despite flying daily to London, they rarely, if ever, release ANY classic business class reward seats that can be booked using points. You are forced to purchase a ticket using cash or utilise the any seat reward, which is far more expensive in terms of the number of points available. Even if you try and book a year in advance (when frequent flyer seats are released) none are normally available. I have searched multiple times with significant flexibility over many months. If you are fortunate, you may find only one (and rarely 2) business class seats with another airline with a less well-known reputation such as China Eastern. None with Qantas themselves. This is misleading and deceptive.

The probability of a Qantas frequent flyer being able to find and book a premium cabin seat on ANY route that they operate using Classic rewards is extremely difficult. I have searched multiple times on multiple routes and found little to no availability, for instance to Honolulu, only Jetstar seats are available for the same number of points. However, the Jet star product is an inferior seat and lower level of service. Similarly, to San Francisco, Los Angeles and Dallas, if you are very fortunate and search a year ahead, you may be able to find just 1 seat. As Qantas doesn't release more than 1 seat. If you intend to travel with family, friends or a partner, you would be forced to buy a ticket, utilise the far more costly any time rewards or if you are fortunate a seat may be available for redemption via China or Hong Kong with a code share airline. However, this adds considerable journey time and inconvenience.

Virgin Australia is not much better. Despite reporting that the Hong Kong route was struggling to be commercially viable, I searched flexibly for a 12-month period for a classic type business class seat without success. This is also reflected in availability on it's flights that operate from Australia to Los Angeles (the only US route). I found no availability unless it was just 2 or 3 days prior to travel.

This is deceptive and misleading. If Qantas and Virgin Australia do not intend to offer premium class seats in their lower 'classic' type of redemption category it should be clear that this is their intent. Or at least advise their customers that the likely odds of securing a business class seat is greater than 12 million to 1. It is not acceptable that it is not commercially viable to offer more of these seats up to frequent flyers. Revenue has been received for the sale of the points. They have been purchased by credit card companies, or suppliers.

Despite recent hype on enhancements to the Qantas scheme where press releases advised that additional premium class seats will be made available there is no evidence that this is the case. Apart from some adverse comments on frequent flyer blogs etc., it is unlikely that they will be any scrutiny of this. Other overseas airlines do not restricted reward availability in the same way that Qantas and Virgin Australia have been allowed to.

2. Complexity and ease of booking flights

Considerable determination and a deep understanding of how Qantas and to a lesser extent, Virgin Australia's frequent flyer schemes operate is required in order to be able to book a classic reward type flight. The search and booking engines of both airlines are not intuitive. They are clunky, awkward and frequently fail. If the same level of complexity existed to book commercial flights with cash or credit cards, they would sell considerably fewer seats than they do. The redemption functionality for both frequent flyer schemes are unnecessarily complex and awkward.

3. Fees and charges

One of the most misleading and disappointing issues with the Australian frequent flyer programs are that despite points being earned the fees and charges that are levied on top. Qantas is by far the worse offender. However, more recently, Virgin Australia have also copied Qantas and introduced booking fees for redemption bookings on some flights such as those requiring redemption with Etihad, Delta and the like. There is absolutely no detail or transparency on what the charges actually are. When I recently went to book a Qantas economy ticket to London, despite needing thousands of Qantas points, the fees, taxes and charges levied meant that I could have bought a ticket for only \$200 more. Similarly, in the recent past when I was fortunate enough to secure 1 business class seat to the USA, Qantas charges were nearly \$1000 on top of approximately 92,000 points. These fees have gradually been introduced and by stealth. Initially they were apparently required as fuel levies and the like. However, once introduced they are seldom if ever reduced and never removed. There should be a clear explanation on what they are, why they have been introduced and why they aren't included in the total number of points required (when they once were). Even when they are reduced slightly, as occurred to the Qantas scheme recently, the number of points required to book a flight were increased to compensate.

4. Frequent flyer rules, conditions and booking classes

Over time, Qantas has increasingly made their frequent flyer scheme increasingly far more complex. This is particularly the case when earning points on supposed partner airlines and the like. When once there was a simple rule, this is no longer the case. However, whilst adding increasing complexity on which tickets, codeshare flights and airlines that earn points, drastically reducing the earning capability or removing the eligibility completely (despite them being part of an alliance etc.,) it really isn't clear when booking which booking class you are booking and the rate at which you will earn points (if any). The handling of retrospective claims is also poorly undertaken, making it unnecessarily complicated. Due to the level of complexity misinformation is made and errors being frequently occur. For instance, I submitted two claims for a Japan Airlines flight that I took with my partner made on exactly the same booking in exactly the same class. Their claim was denied, mine was accepted and the points added.

5. Capping of points

An unfair aspect of the flybuys scheme (and others) is the number of points you are able to transfer to Velocity frequent flyer partner program. It should be made far clearer and in a more obvious manner that the number of points able to be transferred are limited. It would be fairer and more transparent if you were warned in advance that you were reaching the ceiling on the number of points able to be transferred, in preference to waiting until the total had been reached.

6. More accurate marketing

Frequent flyer schemes are appealing to many as they provide a dream of a 'free' holiday. They are highly profitable to airlines as many points are sold but never redeemed. This is largely because of the complexity of the schemes and the lack of availability when people want to travel. If redemption is so tightly controlled for premium airline cabins, there needs to be fairer and greater awareness on the true cost, probability and likelihood of being able to redeem points.

7. Poor value

Qantas and Virgin Australia direct people to redeem points for electrical goods, toasters and the like. These are extremely poor value and there should be greater awareness of the true cost and lack of value. Similarly the 'anytime' reward option is extremely costly.

8. Devaluation

Points are always being devalued in their true sense. Consideration should be made to making the time of earn linked to the value of redemption.

9. Data Privacy concern

I share concerns echoed in the ACCC submission on how airlines use my personal data. I do not accept that data breaches are inevitable and do not believe that they should have carte blanche permission to use my personal information, search history etc., for any use they feel fit.