

United says it will drop widely scorned ticket-change fees

31 August 2020, by David Koenig



In this June 25, 2020, file photo, rows of United Airlines check-in counters at O'Hare International Airport in Chicago are unoccupied amid the coronavirus pandemic. On Sunday, Aug. 30, 2020, United Airlines says it will be dropping an unpopular \$200 fee for most people who change a ticket for travel within the United States. (AP Photo/Teresa Crawford, File)

United Airlines says it listened to customers and is dropping an unpopular \$200 fee for most people who change a ticket for travel within the United States.

"When we hear from customers about where we can improve, getting rid of fees is often the top request," United CEO Scott Kirby said in a video posted Sunday.

United's move will put pressure on American Airlines and Delta Air Lines to drop their change fees, also \$200 on domestic travel. Delta and American said they are waiving change fees for travel affected by the virus through the year's end. Southwest Airlines does not charge change fees, a policy which its CEO says has helped it gain more business.

United said that it eliminated change fees for people who buy a standard or premium economy ticket for U.S. travel.

United also said that it will extend a broad waiver of change fees—including for international travel—through Dec. 31. Customers who pay the lowest fares, called "basic economy," can also change tickets free because of the extended waiver announced Sunday.

And starting in January, it will let customers fly standby for free on other flights the same day as their booked flight.

The moves come as United and other airlines try desperately to lure people back to flying despite the ongoing coronavirus pandemic. U.S. air travel has recovered modestly since April, but [passenger traffic](#) remains down about 70% from a year ago.

The four largest U.S. airlines lost a combined \$10 billion from April through June. Airlines shared \$25 billion in federal payroll aid under pandemic relief legislation and are lobbying for \$25 billion more.

United has warned 36,000 employees that they could be furloughed in October. It received \$5 billion in [taxpayer money](#) to keep workers on the payroll through September.

Consumer groups have long complained about the array of fees that airlines impose for things that were once part of the fare. Change fees draw particular scorn because, critics say, they far exceed airlines' costs of changing or canceling tickets with a few keystrokes.

Fees on checked bags and ticket changes gained widespread use during an industry downturn in 2008. Since then, airlines have added fees on seats with more legroom, priority boarding and other amenities.

They contributed to a highly profitable run that lasted for a decade, broken only by the pandemic. Now airlines are slashing flights and shrinking work forces to cope with the travel slump.

The United CEO acknowledged that airlines facing [tough times](#) have often "made [difficult decisions](#) to survive, sometimes at the expense of customer service." Kirby said United is looking to serve customers better this time.

Since 2010, Chicago-based United has scooped up nearly \$6.5 billion in change fees. Last year, it took in \$625 million, third behind Delta and American, according to Transportation Department figures.

In Washington, several lawmakers have launched periodic campaigns to outlaw change fees. In 2018, the Senate approved a bill to prohibit "unreasonable" fees for changing or canceling tickets, but the measure was scuttled in negotiations with the House.

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