



Top Ten Airlines Generate as Much as 46% of Sales from Ancillary Revenue

CarTrawler-sponsored analysis shows big jump from five years ago, when the same group of airlines generated 10% to 33% from ancillary revenue.

Dublin, Ireland & Shorewood, Wisconsin, USA, 18 July 2017: Every year IdeaWorksCompany searches for disclosures of financial results which qualify as ancillary revenue for airlines all over the globe. Annual reports, investor presentations, financial press releases, and quotes attributed to senior executives all qualify as sources in the data collection process.

These results are contained in the new report, *2016 Top 10 Airline Ancillary Revenue Rankings*. Of the 138 airlines reviewed, 66 reveal figures related to ancillary revenue. The following is a sampling of the 2016 financial year results found in the report:

- Back in 2007 the top ten airlines, as rated by total ancillary revenue, generated \$2.1 billion. Fast forward to 2016 and the top ten tally has leapt to more than \$28 billion.
- Top “% of revenue” producers by global regions: Wizzair 39.4% (Europe & Russia), Spirit 46.4% (Americas), and Hong Kong Express 24% (Asia & South Pacific).*
- United MileagePlus generated \$3+ billion from the sale of frequent flyer miles (mostly to its bank co-brand partner) which equals \$21.11 per passenger.
- Top “ancillary revenue per passenger,” mostly from a la carte activities, by global regions: Jet2.com \$42.46 (Europe & Russia), Spirit \$49.89 (Americas), and AirAsia X \$34.41 (Asia & South Pacific).*

“Airlines that want to grow their ancillary revenue need to adapt to their customer’s behaviour. The online car rental market is expected to grow at a 9.3% compound annual growth rate between 2016-2020 with mobile sales for car rental showing the most significant growth at 24.2% CAGR (Source: Euromonitor). Airlines need to be sourcing the right technology and providing their customers with ancillary products where, and when, they are open to purchasing them.” Aileen O’Mahony CCO CarTrawler

To view results for the top ten airlines in three categories (overall ancillary revenue, as a percentage of company revenue, and on a per passenger basis), please visit IdeaWorksCompany.com or CarTrawler.com for the new 10-page report.

The results for all the 66 disclosing airlines will be released in September 2017 as the annual CarTrawler Yearbook of Ancillary Revenue by IdeaWorksCompany (100+ pages). A companion press release, scheduled for November 2017, will use these results to extrapolate total ancillary revenue generated by 180 airlines around the world.

* Carriers from the Middle East and Africa did not rank in the top 10 ancillary revenue lists.

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About IdeaWorksCompany.com: IdeaWorksCompany was founded in 1996 as a consulting organization building brands through innovation in product, partnership and marketing, and building profits through financial improvement and restructuring. Its international client list includes airlines and other travel industry firms in Asia, Europe, the Middle East, and the Americas. IdeaWorksCompany specializes in ancillary revenue improvement, brand development, customer research, competitive analysis, frequent flyer programs, and on-site executive workshops. Learn more at IdeaWorksCompany.com.

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