



Top Ancillary Revenue Rates Reach \$52 per Passenger and \$6 Billion per Airline

CarTrawler-sponsored analysis shows best ancillary revenue results have doubled between 2008 and 2015.

Dublin, Ireland & Shorewood, Wisconsin, USA, 20 July 2016: IdeaWorksCompany published the first ancillary revenue review of top-performing airlines back in 2008. The top ten airlines generated \$8.4 billion that year. Fast forward to 2015 and the top ten tally has leapt to nearly \$26 billion. Now, this group is a billion-dollar club with annual ancillary revenue ranging from just over \$1 billion to \$6.2 billion – which is #1 carrier United's total. Top performer per passenger is Spirit, at \$51.80 per customer; Spirit also tops the list for revenue share, at 43 percent of total sales.

These results are contained in the new report, *2015 Top 10 Airline Ancillary Revenue Rankings*. Each year IdeaWorksCompany searches for ancillary revenue disclosures for airlines all over the globe. Of the 135 airlines reviewed, 67 reveal figures related to ancillary revenue. The results for all the 67 disclosing airlines will be released in September 2016 as the annual *CarTrawler Yearbook of Ancillary Revenue by IdeaWorksCompany*. A companion report, scheduled for November 2016, will use these results to extrapolate total ancillary revenue generated by 180 airlines around the world.

Some mourn the passing of simpler times when a long haul ticket price included the promise of a checked bag, seat assignment, and an oftentimes inedible meal. But consumer behavior supports the popularity of seat-only tickets that deliver a lower price. The array of choices provided by a la carte methods allows these consumers to click and pay a premium for more comfort and convenience. Ancillary revenue represents the safety net which determines whether low fares can coexist with airline profitability. Even with a dramatic fall in oil prices, ever-present competition requires successful airlines to be ever-innovative in the quest for revenue. The potential for adding 10%, or even 43%, more revenue to the bottom line ensures ancillary revenue will continue to grow.

“Airlines can now choose from an ever more sophisticated range of ancillary products and technology,” says Michael Cunningham, Chief Commercial Officer at CarTrawler. “The challenge is to ensure that the ancillary benefits do not overshadow the core principles of customer experience that airlines have built their brands on. The opportunity is to deliver a personalised offering that complements their brand promise. Airlines that do this will see ancillary revenue gains, increased brand loyalty and a boost in customer lifetime value.”

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 for the new 10-page report.

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About CarTrawler

CarTrawler connects business and leisure customers and online travel retailers with more road and rail transport solutions than they will find anywhere else. 95 international airlines and 2,000 travel retailers around the world trust CarTrawler to provide their customers with real-time access to over 1,600 leading and independent car rental agents, coach transfers, rail networks and chauffeur drive services at 43,000 locations in 195 countries. Its in-house booking engine gives it the opportunity to easily and quickly scale to accommodate customer demand. CarTrawler also owns and operates the Cabforce, Holiday Autos and arguscarhire.com brands. The company headquarters and Customer Centre of Excellence are located in Dublin, Ireland, with additional offices in Boston, London and Helsinki. CarTrawler is private equity backed by BC Partners and Insight Venture Partners. For further information, please visit www.cartrawler.com

About IdeaWorksCompany

Celebrating 20 years, 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 flier programs, and on-site executive workshops. Learn more at IdeaWorksCompany.com.

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