

FUTURE TRAVEL EXPERIENCE

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Six ways the airline business has changed – a report by IdeaWorksCompany

This article is based upon a report issued by IdeaWorksCompany.

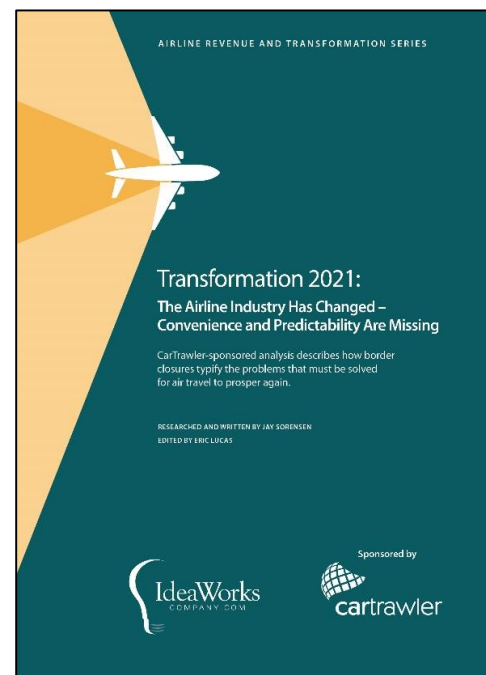
There has been much debate for years about identifying the key feature of the air travel product. The pandemic effectively delivered an answer – it's the destination that matters most, highlights a new ancillary-focused report by aviation and travel business consultancy IdeaWorksCompany and its sponsor, CarTrawler. The report is written by IdeaWorksCompany President Jay Sorensen, who will be the Ancillary Ambassador for the upcoming Ancillary conference track, taking place at FTE Global 2021 in Las Vegas on 7-9 December.

The new instalment forms part of the “Transformation 2021” series of reports published by IdeaWorksCompany and CarTrawler designed to guide the airline and travel industries through the COVID-19 pandemic.

The new 15-page report, titled “The airline industry has changed – convenience and predictability are missing”, describes how the industry has changed due to the COVID-19 pandemic and provides ideas on how revenue can be increased, and more traffic can be captured.

It is highlighted that many of the habits formed by travellers during the pandemic will be enduring and are reflected in the perspectives covered in the report.

- Network airlines will focus on leisure travel.
- Business will be more a la carte and premium economy will grow.
- Airlines will be enticed by branded fares and dynamic pricing.
- More effort will be made to improve buy-on-board food.
- Carriers need to provide protection from uncertainty.
- Border closures are here to stay.



“While airlines have proven their resilience over the past year, in 2022 brands must evolve the consumer experience to stay competitive in the market,” said Aileen McCormack, Chief Commercial Officer at CarTrawler. “Airlines will need to shape offerings around what consumers really want – convenience and predictability – whether it’s through their pricing models, a la carte offerings or approach to travel insurance.”

The report also predicts that the majority of business travel will return as the pandemic recedes, but a portion of airline trips will be replaced by technology. The emphasis on leisure destinations and planning smaller business class cabins reflects the direction network carriers are taking. Success will require stronger retail skills that go beyond the tradition of being mere order takers in the travel transaction chain.

Airlines will certainly face moments during 2022 that define whether they continue to struggle or return as robust providers of service to leisure and business travellers. The magic of surviving, and even thriving, is determined by how airlines adapt to what is new and maximise what will remain the same. The full report is available at <https://ideaworkscompany.com/reports/>