



Ancillary Revenue Increases 51% for 61 Airlines in 2022

Overall ancillary revenue results mixed, with some decreases in the 2023 edition of the CarTrawler Yearbook of Ancillary Revenue

September 27, 2023, Shorewood, Wisconsin and Dublin, Ireland – The 2023 edition of the **CarTrawler Yearbook of Ancillary Revenue** by IdeaWorksCompany, released today, describes the 2022 ancillary revenue activities and results for 65 airlines and provides an assessment for the industry as a whole. Here's a guide to key features of the 2023 edition:

- **65 pages of individual airline listings** arranged by global region.
- **Alphabetical listing of 65 airlines** from Aegean to Wizz Air, as a table, with total ancillary revenue in US dollars; and ancillary revenue as a percent of total airline revenue, and per passenger.
- **Ancillary revenue as a % of revenue**, ranked in a graph, starting with Spirit Airlines at 51.5%, followed by Frontier, 50.8%, and Allegiant, 48.9%.
- **Ancillary revenue per passenger**, ranked in a graph, starting with Jet2.com at \$84.72, followed by Qantas Airways, \$73.23, and Allegiant, \$67.74.
- **Top 10 airlines for ancillary revenue**, ranked in a table, starting with Delta's \$7,987,111,000, followed by United's \$7,881,371,000, and American's \$7,711,216,000.
- **Frequent flyer program revenue** for 20 airlines, ranked in a table, starting with American - AAdvantage at \$5,800,000,000, followed by Delta – SkyMiles, \$5,500,000,000, and Southwest - Rapid Rewards, \$5,206,000,000.

Peter O'Donovan, CEO, CarTrawler said: "We are delighted to continue our support of the annual Yearbook of Ancillary Revenue by IdeaWorksCompany.

"Looking at this year's results, it's clear that airlines are looking beyond ticket sales to ensure their business models are supported by diversified and resilient revenue streams in a post-Covid travel era. As passenger demand increases, so too do opportunities for additional revenue generation, and we expect to see ancillary revenue as a percentage of overall revenue continuing to increase over the next few years.

“For me, the key trend to watch into 2024 is loyalty. While low-cost carriers have always had the edge on driving ancillary revenue streams, many of the top US airlines are catching up and seeing real returns from their loyalty programmes and frequent flyer benefits. I expect airlines in Europe and the rest of the world are taking note of this development and evidence of the real returns it’s bringing in terms of yield.

“Within our own operations in CarTrawler, we’re seeing greater demand for the inclusion of car rental services in loyalty programmes, so airlines and hotel groups can reach a wider customer base with the most relevant rewards. We currently power car rental loyalty for 18 partners including Alaska Airlines, eDreams, Emirates, Eurowings, Swiss, United Airlines and WestJet. Next year, we expect this area of our business to expand significantly as we continue to invest and deliver on our company strategy, by enhancing our proposition through innovation.”

The world’s airlines had a very good 2022, with traffic advancing more than 30 percent.¹ More passengers generate more sales of optional extras such as checked baggage and assigned seating. But other factors influenced the full statistical story of ancillary revenue for 2022. Global airline revenue advanced 50 percent for 2022 and this outpaced ancillary revenue growth.² As a result, ancillary revenue as a percentage of airline revenue, and on a per passenger basis, did shrink. Strong consumer demand drove air fares higher for 2022.

Among the 65 airlines in the Yearbook, 61 also appeared in last year’s edition, and this permits an apples-to-apples comparison. More passengers generated more ancillary revenue as evidenced by the \$23.3 billion jump shown in the above table. The usual year-over-year increase of ancillary revenue as a percent of airline revenue and on a per passenger basis didn’t occur for 2022.

Same-Carrier Comparison of Key Ancillary Revenue Statistics			
	2022	2021	Change
Total Ancillary Revenue	\$68.7 billion	\$45.4 billion	+51.3%
% of Airline Revenue	18%	20%	-5.5%
Per Passenger	\$29.67	\$31.38	-9.7%
Results of same 61 carriers included in 2023 and 2022 editions of the <i>CarTrawler Yearbook of Ancillary Revenue by IdeaWorksCompany</i> . Averages are unweighted.			

The Yearbook also offers 5 pages of individual airline results produced by ancillary revenue, loyalty marketing, and retail activities; a sampling includes:

- **AirAsia Aviation Group:** The AirAsia Super App achieved average monthly users of 34.4 million during 2022 and gross booking value of MYR 8,850,101,000 (\$2 billion) for the year.

¹ 2023 Big Book of Travel Data by IdeaWorksCompany.

² 2023 Big Book of Travel Data by IdeaWorksCompany.

- **Air France & KLM:** The company says that 50% of its business class passengers are now leisure travelers, courtesy of a push by the commercial department. Also, the carriers have quick-change flexibility to decrease the size business cabins by up to 19%, when more economy-oriented seating is desired.
- **Allegiant:** The Allways Rewards co-branded credit card had 410,000 cardholders at year end (335,000 average accounts for 2022). Revenue from the program was \$103 million for 2022 which averages \$307 per account.
- **Avianca:** Of the 11.6 million members in the LifeMiles coalition loyalty program, 524,000 have a co-branded credit card account (4.5% of membership).
- **FlyArystan:** Bundled fares for domestic bookings generated revenue of \$29,153,076 or \$63.47 per domestic passenger.
- **Frontier:** Revenue from assigned seating fees was \$251 million for 2022, or \$9.85 per passenger.
- **Jet2.com:** 64.9% of the carrier's 16,220,000 passengers were package customers (not air-only).

Results from 2022 indicate ancillary revenue has proven a reliable economic partner in good times and bad. But for any product to perform at its very best, it must always deliver value for the customer. That's a truth that should not be forgotten while pursuing profits.

The **2023 CarTrawler Yearbook of Ancillary Revenue by IdeaWorksCompany** was released today as a free-of-charge 103-page report sponsored by CarTrawler. The full report is available at <https://ideaworkscompany.com/reports/>.

IdeaWorksCompany offers a graphic of the top 20 airlines ranked by ancillary revenue as a % of total revenue at the press release section of the [IdeaWorksCompany.com](https://ideaworkscompany.com) website. Please refer to the Yearbook for all 65 airlines.

About CarTrawler: CarTrawler is the leading global B2B provider of car rental and mobility solutions to the travel industry. Recognised for its innovative technology solutions, CarTrawler is the partner of choice for the world's leading travel brands, enabling them to offer car rental, airport transfer and ride-hailing services to their customers.

CarTrawler's purpose is to drive successful partnerships, by creating substantial ancillary revenue opportunities for the travel and airline industry.

Founded in 2004 in Dublin, Ireland, CarTrawler's proprietary technology platform connects customers to more car rental options than anyone else in the world. Their team of in-house experts designs, builds and powers tailored software solutions which are easily integrated into partners' websites and intuitive to use. Developed over 18 years, CarTrawler's innovative, bespoke and data-led solutions have proven conversion rates and measurable returns.

CarTrawler's global network connects more than 50,000 car rental locations worldwide, working with the biggest industry players including United Airlines, American Express Travel, easyJet, Uber, Hotels.com and Emirates. Find out more at cartrawler.com.

About IdeaWorksCompany: IdeaWorksCompany boosts airline profits through innovations in ancillary revenue, a la carte pricing, loyalty marketing, and airline retail. The firm was founded in 1996 and has an international client list of airlines and other travel industry firms in Asia, Europe, the Middle East, and the Americas. IdeaWorksCompany enjoys a reputation as a global resource for ancillary revenue strategy, on-site executive workshops, and research reports. Learn more at IdeaWorksCompany.com.

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