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Airlines made \$33 billion from baggage fees last year, an analysis of over 120 major airlines estimates

This article is based upon a report issued by IdeaWorksCompany.

- Baggage fees earned the world's largest airlines an estimated \$33.3 billion in 2023.
- That's up 15% from 2022, according to a report from airline revenue consultancy IdeaWorks.
- American, United, Alaska, and JetBlue have increased their checked bag fees this year.

Baggage fees alone were worth an estimated \$33.3 billion to airlines last year.

That's according to a report from IdeaWorksCompany, a consultancy for airline ancillary revenues, and car rental firm CarTrawler.

IdeaWorks' report analyzes revenue disclosures from around 120 major airlines around the world, before collating a global estimate.

The fees are mostly for checking baggage, as well as added costs for heavy bags and larger carry-ons.

Last year's estimate is up almost 15% from 2022, and it's the first time it's crossed \$30 billion since before the pandemic.

Back in 2019, baggage fee revenue was worth 3.7% of airlines' revenue, whereas last year it was estimated at 4.1%.

Total ancillary revenue — meaning the money airlines make from add-ons like choosing a seat or buying food — was estimated at \$117.9 billion globally.

However, carriers could be set to make even more this year. Several US airlines have upped their checked bag fees in the past few months.

American Airlines announced last Tuesday its first increase since 2018. Passengers now have to pay at least \$35 to check their bags on a domestic flight. That's \$5 more than before.

The fee rises to \$40 if you pay in person rather than online, and to \$45 for a second bag.

United Airlines followed suit last Friday with a \$5 increase for economy passengers on domestic flights.

Alaska Airlines also upped fees by \$5 for passengers who booked after January 2.

But JetBlue had the highest increase, upping its fees by \$10 for those who check their bags within 24 hours of departures.