



September 25, 2024

Report: 2023 Ancillary Airline Revenue 'Surges' Over '19 Levels

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This article is based upon a report issued by IdeaWorksCompany.

The airlines with the most ancillary revenue in 2023 collected \$54.1 billion, which "is far in excess" of the \$38.4 billion result for the top 10 carriers for 2019, according to a new IdeaWorksCompany report, released Tuesday.

The company used financial statements, annual reports, analyst research and investor relations presentations for 68 airlines to produce the 2024 edition of the CarTrawler Yearbook of Ancillary Revenue. Among those, 57 carriers appeared in last year's publication and were used in year-over-year comparisons.

Those 57 carriers posted a \$7.4 billion ancillary revenue increase, representing a 25.7 percent year-over-year jump, "largely driven by a 25.1 percent passenger traffic increase from 2022," according to the report.

Five U.S. carriers made the list of the 10 airlines with the most ancillary revenue in 2023. United Airlines was on top, at more than \$9.5 billion, a record 20.9 percent increase year over year. Delta Air Lines followed with nearly \$9.4 billion, up 17.2 percent, while American Airlines had more than \$8.4 billion in ancillary revenue, up 9.2 percent. Southwest Airlines in fourth had nearly \$6.8 billion, up 13.9 percent. Spirit Airlines was in eighth with more than \$2.6 billion, a 15.8 percent increase.

Of the 57 repeat carriers from 2022, average per-passenger ancillary revenue increased 13.1 percent year over year for high-performing low-cost carriers, while it declined 4.3 percent for traditional airlines, according to the report. United was the only major traditional U.S. carrier to make the top 10 of ancillary revenue per passenger at \$57.99, a 6.2 percent increase year over year.

Total frequent-flyer revenue for the top 10 airlines jumped 18.6 percent year over year to \$32.2 billion. The four largest U.S. carriers made up the top four: Delta SkyMiles at nearly \$6.6 billion and \$34.50 per passenger, American AAdvantage at more than \$6.5 billion and \$30.93 per passenger, Southwest Rapid Rewards at more than \$5.7 billion and \$41.88 per passenger, and United MileagePlus at more than \$5.5 billion and \$33.65 per passenger.