



Surprising predictions of what's ahead for air travelers

By David Wilkening
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Passengers in the future can expect much-maligned airline fees to be replaced by a wide variety of in-flight retail choices and in what is perhaps a surprise, travelers will have more choices to book low-cost airlines.

Those were among predictions of three air travel experts asked by TravelMole to peer into the future of airline travel or what passengers might expect to see.

"We expect to see much more revenue-generating activity through in-flight retail (enabled by in-cabin Wi-Fi and controlled web portals)," said Brett Proud of GuestLogix. He envisions an evolution away from fees towards more innovative airline marketing such as catalogue sales.

Airlines are moving towards "virtual onboard stores" with products and services that might include an Orlando family able to buy theme park tickets on a plane or business travelers enroute to London's Heathrow able to buy a rail ticket while in the air.

The future of the airline industry is not more fees because travelers will not spend hundreds of dollars for new ones but instead passengers can expect new retail moves, says Raphael Bejar of Airsavings.

"Airlines are looking for value-add services that will not only increase their profits but which improve the customer in-flight experience," he said. He predicts airlines acting as retailers is an evolving trend that will "become a normal part of the customer in-flight experience."

As for the prediction that the end is near for low-cost airlines, Roger Williams of Airline Information says that is not the case.

"In fact, I would say this is only the beginning of low cost airlines," he said. He makes the point that a distinction has to be made between a low cost airline that keeps operating costs low and budget airlines that offer low fares "thanks to a low cost structure."

That's the case in part because traditional old-time airlines with higher cost levels "have learnt valuable accounting lessons from low-cost airlines."

Here are some other trends future airline passengers can expect:

---Passengers might expect airlines to continue to find new avenues for fees, but their "future lies in redefining (and in some cases, reimagining) the customer's experience, with an emphasis on promoting sales and value, not extracting fees," said Proud.

---The expected move towards selling various products should be successful for the airlines because they already have such metrics as destination and demographic information that "traditional retailers would kill for," Proud said. "As with any product and service offerings, customers' adoption is important, but with the detailed information and captive audience an airline already has, high adoption and purchase rates are very likely," he said.





---A good news item for passengers in the future is that they will increasingly have choices of products they wish to buy or can reject and not have to pay more. If a passenger is not hungry, he or she skip food offerings, for example.

---More direct routes will make travel more convenient for future fliers.

---Fares should not go up but could go down. "I expect the downward pressure on pricing caused by healthy competition and emerging shopping technologies to continue and thus keep fares low," Williams said.

---North America and Europe are approaching saturation points in future expansion, but "Latin America, Asia and especially Africa have vast growth potential" and should offer more airline choices," Williams said.

---And mergers? Are more expected? "There will always be mergers, but once the current deals are inked, we should expect a lull in this area," Williams said.

---And one more bit of good news: charging to use the bathroom is not likely any more than it would be in a restaurant because it would deter consumers."Airlines are working on cultivating brand loyalty by improving their entire experience, so charging for bathrooms would be completely counter-productive and very short-sighted," Bejar said.

Companies represented in this story:

Airline Information is an established company providing commercial aviation management conferences and active in the field of publishing with over 200 airlines regularly attending its worldwide forums.

Airsavings specializes in facilitating two fundamental operational imperatives of the airline industry: cost reduction and revenue development.

GuestLogix is a global provider of onboard store technology and merchandising, helping airlines create, manage and control onboard retail environments tailored to specific needs.

