

# A Bundle of Joy

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# Why Ancillary Revenue?

**High profile  
examples from  
LCC sector**

**Contracting:  
economy  
shifting focus  
to price**

**Low fare  
search tools  
put pressure  
on fares**

**Collapse of  
premium  
traffic**

# Ancillary Revenue classification

## “a la Carte”

- ▶ Lounge access
- ▶ Meals, drinks
- ▶ Excess baggage
- ▶ Ticket reissue
- ▶ Seat selection
- ▶ Priority boarding
- ▶ Internet access
- ▶ Telephone bookings
- ▶ Airport Parking
- ▶ Ground transportation
- ▶ In-flight entertainment

## Businesses

- ▶ Mileage programme exploitation
- ▶ Co-branded credit cards
- ▶ Credit card surcharges
- ▶ Advertising

## Commission based

- ▶ Hotel partnerships
- ▶ Car rental
- ▶ Gaming cards
- ▶ Insurance

# Maximize sales potential throughout passenger life-cycle



**Passenger Motives**

**Lowest fare**

**Impulse and necessity**

**Impulse and necessity**

**Airline opportunity**

- ▶ Upsell
- ▶ Cross-sell
- ▶ Cars
- ▶ Hotels
- ▶ Insurance

- ▶ Seating
- ▶ Lounge
- ▶ Upgrade

- ▶ Catering
- ▶ Excess baggage
- ▶ Ticket reissue
- ▶ Internet access
- ▶ In-flight Entertainment
- ▶ Gaming cards

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## QUESTIONS ??